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SAN FRANCISCO  
BOARD OF SUPERVISORS

GOVERNMENTAL OPERATIONS COMMITTEE

This Committee issued a "Calendar" for each meeting, which constituted the Agenda for the meeting. The Calendar had a blank line at the end of each agenda item for "Action".

The decisions taken at the meeting on each Calendar item were entered on the "Action" lines of the Calendar. The Calendar was then referred to as the "Action Calendar" or "Marked Calendar", and constituted the Minutes for the meeting.

Note that the Agendas and the Minutes are both captioned "Calendar". They differ in that the Minutes describe the action taken on each Calendar item.

This volume includes the available Minutes of this Committee's meetings. The Agenda is included only if the Minutes are missing.

Beginning in May 1989, the Budget Analyst prepared memoranda for many of this Committee's meetings. The memo for each meeting is inserted in this volume *in front of* the Minutes for that meeting. If the Minutes of a meeting are missing, the Budget Analyst memo is inserted *following* the Agenda for that meeting.





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CITY AND COUNTY



Public Library  
OF SAN FRANCISCO  
Att: Gerry Roth

## BOARD OF SUPERVISORS



BUDGET ANALYST

Recommendation

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 17, 1989

DOCUMENTS DEPT.

AUG 28 1989

TO: Governmental Operations Committee

FROM: Budget Analyst

SUBJECT: August 21, 1989 Governmental Operations Committee Meeting

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### Item 1a - File 64-89-25

**Note:** This item was continued from the July 31, 1989 Governmental Operations Committee meeting.

**Department:** Employees' Retirement System

**Item:** Resolution authorizing the extension of an existing lease of real property.

**Location:** 1155 Market Street, entire 2nd Floor

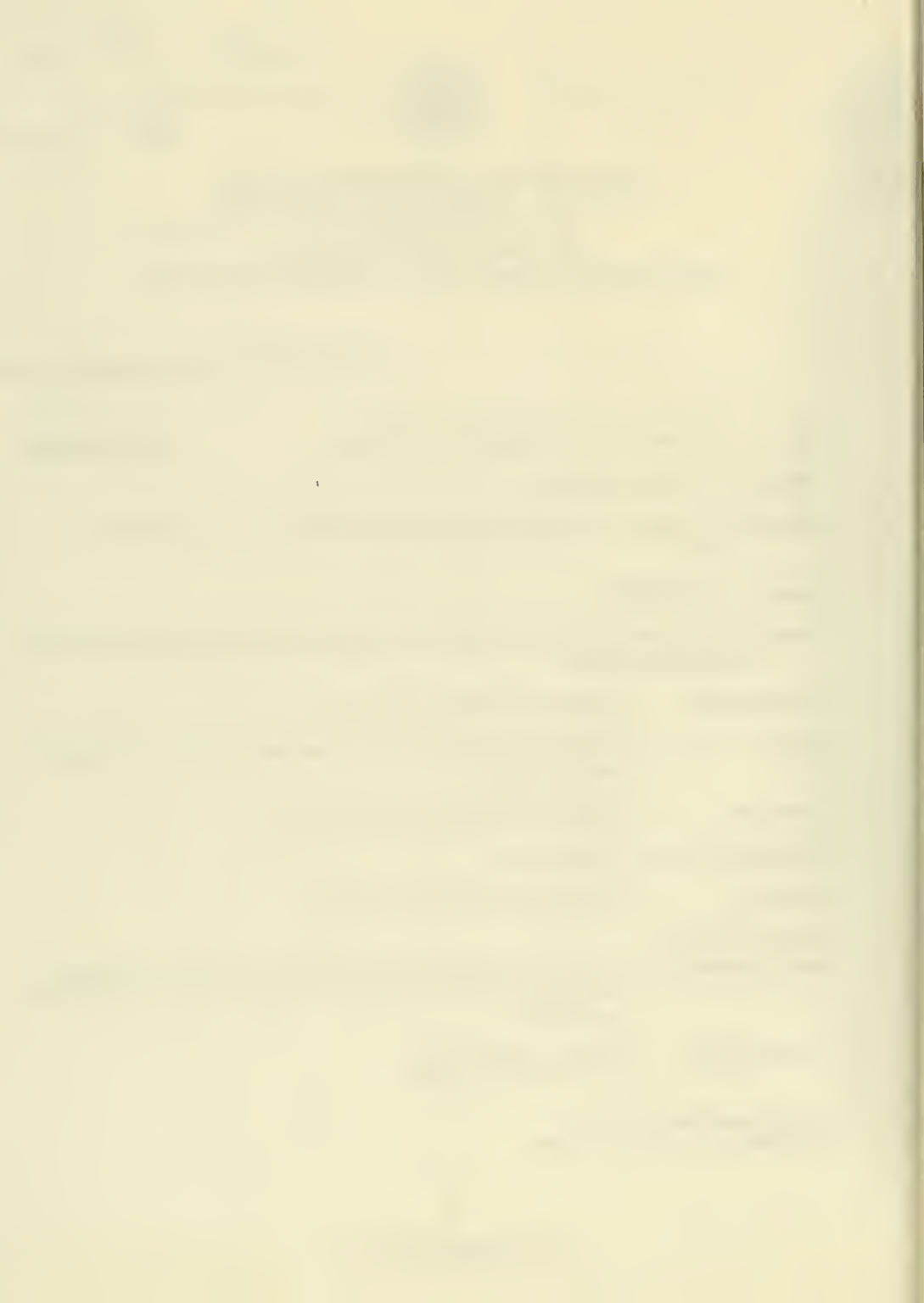
**Purpose of Lease:** Office space

**Lessor:** Continental Savings of America

**Number of Sq. Ft. and Cost/Month:**  
Year 1: 11,980 sq.ft. @ \$1.00/sq.ft./mo. = \$11,980 rent/month  
Years 2-5: 11,980 sq. ft. @ \$1.31/sq. ft./mo. = \$15,693.80 rent/month

**Annual Cost:**  
Year 1: \$143,760.00  
Years 2-5: \$188,325.60

**% Decrease Over 1988-89:** 52 percent





**Utilities and Janitor**

**Provided by Lessor:** City pays for electricity only

**Term of Lease:** Five-year lease beginning July 1, 1989 and ending June 30, 1994, subject to funds being appropriated in fiscal years 1990-91, 1991-92, 1992-93 and 1993-94.

**Right of Renewal:** The lease would be renegotiated at the end of the five-year period (June 30, 1994).

**Source of Funds:** General Fund in the 1989-90 budget.

**Comments:** 1. Mr. Gerald Romani of the Real Estate Department reports that the 1989-90 rent of \$143,760 per year is 52 percent less than the 1988-89 rent of \$300,458 per year because the 1988-89 rent was based on a five-year lease agreement negotiated in 1984. Mr. Romani indicates that the real estate market has since changed and that the rents for the proposed five-year lease represent fair market value.

2. According to the Real Estate Department, the proposed lease agreement provides that the City would occupy the office space for the entire five-year term unless funds are not appropriated for the rental payments, at which time the City may terminate the lease with 90 days prior written notice to the lessor. The Real Estate Department reports that the lessor has agreed to repaint and recarpet the office space at the lessor's expense.

**Recommendation:** Approve the proposed resolution.



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Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Item 1b - File 64-89-27

**Note:** This item was continued from the July 31, 1989 Governmental Operations Committee meeting.

**Department:** Public Utilities Commission (PUC)

**Item:** Resolution authorizing the extension of an existing lease of real property.

**Location:** 100 McAllister Street (Fourth Floor)  
Rooms 401, 402 and 403

**Purpose of Lease:** Office Space for PUC Bureau of Energy Conservation

**Lessor:** Hastings College (University of California)

**Number of Sq. Ft. and Cost/Month:** 1,276 sq. ft. @ \$1.29/sq. ft./mo. = \$1,645 rent/month

**Annual Cost:** \$19,740

**% Increase Over 1988-89:** 3.2% based on cost per sq. ft.

**Utilities and Janitor Provided by Lessor:** Yes

**Term of Lease:** July 1, 1989 through June 30, 1990

**Right of Renewal:** Yes - 3 one year options remain through June 30, 1993

**Source of Funds:** Hetch Hetchy Funds

**Comment:** The lease of property at 100 McAllister Street for PUC's Bureau of Energy Conservation has been increased by 276 sq. ft. from 1,000 sq. ft. to 1,276 sq. ft. or 27.6%. According to John Deekin, two additional employees, increasing the staff from 7 to 9, have been added as the result of grants from the U.S. Department of Energy which Mr. Deekin anticipates to be renewed in subsequent years.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
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Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Item 1c - File 64-89-28

**Note:** This item was continued from the July 31, 1989 Governmental Operations Committee meeting.

**Item:** Resolution authorizing the extension of two leases of real property for use by the Controller's Office and the Health Service System. The total four month-extension for the two leases amounts to \$64,108 or \$16,027 per month.

**Descriptions:** Descriptions of the proposed leases are as follows:

**(1) Department:** **Controller's Office, Information Service Division (ISD)**

**Location:** 1212 Market Street, entire third floor and a portion of the first floor

**Purpose of Lease:** Office space

**Lessor:** Graham Investment Limited

**No. of Sq. Ft. and Cost/Month:** 5,779 sq.ft. @ \$1.415/sq.ft. = \$8,176

**Cost for Four-Month Extension:** \$32,704 (\$8,176 x 4 months)

**% Increase over Present Lease:** 5.0% increase in total monthly rent

**Utilities and Janitor Provided by Lessor:** All except electricity

**Term of Lease:** July 1, 1989 - October 31, 1989

**Right of Renewal:** None. ISD plans to move to 1155 Market Street prior to the end of the proposed lease extension.

**Source of Funds:** 100% work orders from other City Departments in 1989-90 budget (the amount of General Fund varies depending on projects being accomplished by Controller's ISD).

\*\*\*\*\*

**2) Department:** **Health Service System (HSS)**

**Location:** 1212 Market Street, entire second floor and a portion of mezzanine, and Suite D in the lower arcade.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

<b>Purpose of Lease:</b>	Office space and storage space
<b>Lessor:</b>	Graham Investment Limited
<b>No. of Sq. Ft. and Cost/Month:</b>	5,350 sq.ft. @ \$1.415/sq.ft. = \$7,570 (office space) 421 sq.ft. @ \$0.67/sq.ft. = \$281 per month (storage space) Total is \$7,851 per month
<b>Cost for Four-Month Extension:</b>	\$31,404 (\$7,851 x 4 months)
<b>% Increase/Decrease over Present Lease:</b>	18.6% decrease in total monthly rent to space reduction. 5.0% increase in rate per square foot.
<b>Utilities and Janitor Provided by Lessor:</b>	All except electricity
<b>Term of Lease:</b>	July 1, 1989 - October 31, 1989
<b>Right of Renewal:</b>	None. HSS plans to move to 1155 Market Street prior to the end of the proposed lease extension.
<b>Source of Funds:</b>	Recoveries from other city Departments in 1989-90 budget (approximately 47% from General Fund departments and 53% from Special Fund departments).
<b>Comments:</b>	<p>1. The Information Services Division (ISD) of the Controller's Office has leased space in this building since April 1981 and the Health Service System has leased space since July 1982. Beginning on July 1, 1989, HSS reduced the amount of office space they had occupied by 1,575 sq.ft., from 6,925 sq.ft. to 5,350 sq.ft., which was the portion of the first floor that HSS occupied. As the result of this space reduction, the total rent for HSS will decrease by \$1,952 monthly from \$9,522 monthly to \$7,570 monthly for the proposed four month extension for office space.</p> <p>2. Both the ISD and HSS plan to move their offices to 1155 Market Street prior to October 31, 1989. Mr. Jerry Romani of the Real Estate Department reports that this move will enable the consolidation of related City offices. The move will occur when renovations at 1155 Market Street are completed.</p>

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
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Item 1d - File 89-89-6

**Note:** This item was continued from the July 31, 1989 Governmental Operations Committee meeting.

1. The proposed resolution would authorize employees in various classifications to enroll in the State Disability Insurance (SDI) Program. The cost of SDI coverage would be paid by the employees through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

2. SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is 0.9% of the first \$21,900 of gross salary for each employee (maximum, of \$197.10 annually). While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification request coverage.

3. The following classifications of the San Francisco Public Library which are not represented by a bargaining unit would be authorized to enroll in the State Disability Program under this proposed ordinance.

<u>Position Number</u>	<u>Position Classification</u>	<u>No. of Employees</u>
1544	Secretary, Library Commission	1
3642	Coordinator, Adult Library Services	1
3640	Coordinator, Childrens Library Activities	1
3668	Assistant City Librarian	1
3670	City Librarian	1

4. The Employee Relations Division reports that it has received letters from the employees in each of these single position classifications requesting inclusion in the SDI program.

**Recommendation**

Approve the proposed resolution.



Item 1e - File 89-89-7

1. The proposed resolution would authorize an employee in a single classification to enroll in the State Disability Insurance (SDI) Program. The cost of SDI coverage would be paid by the employee through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

2. SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is 0.9% of the first \$21,900 of gross salary for each employee (maximum of \$197.10 annually). While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification requests coverage.

3. The following classification, which is not represented by a bargaining unit, would be authorized to enroll in the State Disability Program under this proposed ordinance:

<u>Position</u>	<u>Classification</u>	<u>No. of Employees</u>
0588	Civil Courts Coordinator	1

4. The Employee Relations Division (ERD) reports that it has received a letter requesting coverage signed by the sole employee in the Civil Courts Coordinator classification.

**Recommendation**

Approve the proposed resolution.





Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Item 1f - File 138-89-5

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** District Attorney

**Item:** Resolution authorizing the District Attorney to apply for, accept and expend continuation State grant funds.

**Source of Grant:** California Office of Criminal Justice Planning

**Amount:** \$233,617

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Victim Witness Assistance Center

**Project Description:** This would be the (13th) year of State funding for this project. The project provides a broad range of services to victims of crime including the following: (1) crisis intervention and emergency services (e.g., counseling, financial assistance); (2) information and referral services; (3) the filing of Victim of Crime Claim forms for compensation through the State Board of Control; (4) training and public awareness programs (e.g., presentations to community groups and public safety agencies); and (5) orientation to the criminal justice system (e.g., provision of verbal or printed information to victims/witnesses on the location, procedures and functions of the local criminal justice agencies).

<b>Project Budget:</b>	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
	Executive Director (8454)	.64	\$34,927
	Victim Witness Specialists II	3.00	120,822
	Victim Witness Specialist I	.75	23,234
	Senior Clerk Typist	.70	16,818
	Bookkeeper	.10	3,067
	Fringe Benefits		<u>13,237</u>
	Subtotal Personnel	5.19	\$212,105

**BOARD OF SUPERVISORS**  
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Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Operating Expenses

Travel (4 grant-related conferences - northern (3) and southern (1) California)	\$1,588	
Telephone	2,106	
Postage	278	
Copying	1,610	
Office Supplies	1,523	
Office Machine Rentals	294	
Emergency Assistance Funds	96	
Audit	<u>\$2,336</u>	
Subtotal - Operating Expenses		\$9,831
Indirect Costs (5% of total grant)		<u>11,681</u>
Total		\$233,617

**Local Match:** None

**Comment:** The level of funding requested in this proposal is the same level of funding received in FY 1988-89.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Item 1g - File 146-89-49

**Department:** Department of Public Health (DPH)  
Family Health Bureau

**Item:** Resolution authorizing the DPH to apply for, accept and  
expend a State grant.

**Amount:** \$152,990

**Source of Grant:** State Department of Health Services

**Grand Period:** July 1, 1989 through June 30, 1990

**Project:** Perinatal Improvement/Margolin Implementation

**Project Description:** The proposed grant would provide funds to continue  
technical assistance to potential and existing providers of  
perinatal services under the Margolin Implementation  
Program. The Margolin Implementation Program  
provides funding to counties to 1) assist healthcare  
providers enroll low-income women in Medi-Cal for  
perinatal services, and 2) provide public information about  
the availability of the Medi-Cal perinatal services. These  
low-income women, in the 100-185 percent of poverty level  
bracket, have just recently become Medi-Cal eligible under  
State guidelines. The proposed grant would also provide  
funds for the management and coordination of the DPH's  
Community Based Perinatal Services Program.

<b>Grant Budget:</b>	<u>Civil Service Personnel</u>	<u>FTE</u>	
	Sr. Medical Social Worker	1.00	\$45,414
	Asst. Clinical Director I	0.15	8,422
	Sr. Medical Social Worker	0.21	8,057
	Health Educator	0.33	13,224
	Nurse Practitioner	0.50	22,459
	Sr. Clerk Typist	<u>0.75</u>	<u>18,628</u>
	Subtotal	2.94	\$116,204
	<u>Mandatory Fringe Benefits</u>		33,436
	<u>Travel</u>		1,350
	<u>Office Expenses</u>		<u>2,000</u>
	Total Grant Budget		\$152,990

**Indirect Costs:** None

BOARD OF SUPERVISORS  
BUDGET ANALYST



Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

**Required Match:** None

**Comment:** The proposed grant amount of \$152,990 is \$53,490 more than the \$99,500 received in FY 1988-89. According to DPH, the additional \$53,490 represents a one-time-only augmentation which will be used to fund additional quality assurance activities at community perinatal services sites located throughout the City.

**Recommendation:** Approve the proposed resolution.





Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

Item 1h - File 148-89-5

**Agency:** Department of Public Works (DPW)

**Item:** Resolution authorizing application, acceptance and expenditure of State Department of Transportation grant funds.

**Amount of Grant:** \$76,873 (75%)

**Local Match:** \$25,624 (25%)

**Total Project Cost:** \$102,497

**Source of Grant:** State of California, Department of Transportation's 1990 Fuel Efficient Traffic Signal Management Program.

**Grant Period:** January 1, 1990 - January 31, 1991.

**Project:** The project would evaluate and retune traffic signals for improved traffic flow with the use of an advanced computer program.

**Description:** This proposed resolution would authorize the Director of Public Works, with the approval of the Chief Administrative Officer, to apply for, accept, and expend State funds for participation in the 1990 California Department of Transportation's Fuel Efficient Traffic Signal Management Program.

The Department of Transportation's Fuel Efficient Traffic Signal Management Program provides 75 percent matching funds for local governments to conduct evaluations of and adjustments to traffic signals in order to improve traffic flow, reduce air pollutant emissions, and improve energy efficiency.

DPW proposes to evaluate and optimize signal timing and coordination for the traffic signal network in the South of Market area, consisting of 81 intersections. DPW reports that since the last timing study of this area was conducted in 1981, the traffic patterns and flow have changed significantly and an evaluation is needed to alter and improve the signal timing.

**BOARD OF SUPERVISORS**  
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Memo to Governmental Operations Committee  
August 21, 1989 Governmental Operations Committee Meeting

**Grant Budget:**

	Proposed <u>1989-90</u>	<u>Total</u>
Personnel Expenses		
Traffic Engineer (90 Hours)	\$ 2,566	
Asst. Traffic Engineer (1,160 Hours)	25,323	
Traffic Survey Tech. (2,014 Hours)	35,909	
Electrician (170 Hours)	4,155	
Fringe Benefits (46.31%)	<u>31,469</u>	
Subtotal - Personnel Expenses		\$99,422
Operating Expenses:		
Meetings and Conferences (workshop)	\$75	
Travel	2,000	
Printing and Copying	<u>1,000</u>	
Subtotal - Operating Expenses		<u>\$3,075</u>
PROGRAM TOTAL		<u><u>\$102,497</u></u>

**Indirect Cost:** Overhead costs are not eligible for funding.

**Comments:** The 25 percent local match amounting to \$25,624 is an in-kind contribution by the City for the program and is contained in DPW's 1989-90 budget as existing salaried positions. The balance of funds representing the 75 percent State grant of \$76,873 reimburses DPW for the previously described project work to be accomplished.

**Recommendation:** Approve the proposed resolution.



Item 2 - File 97-89-20

**Note:** This item was continued by the Governmental Operations Committee at its meeting of June 12, 1989.

**Item:** Ordinance to amend the Administrative Code by adding Chapter 12G relating to the award of subcontracts by City prime construction contractors to small minority and small women business enterprises (SMBE/SWBE).

**Description:** 1. Based on the United States Supreme Court's decision in City of Richmond v. Croson, the City Attorney in February, 1989, advised departments and contracting awarding authorities to implement a race- and gender-neutral subcontracting program in place of the then existing race- and gender-conscious program, because the statistical basis for the latter had not been a part of the development of the original MBE/WBE/LBE Ordinance.

2. The Board of Supervisors adopted Ordinance No. 175-89, the MBE/WBE/LBE II Ordinance, on May 22, 1989. That Ordinance, which was subsequently signed into law, contains provisions limiting the application of race- and gender-conscious prime contracting remedies to narrowly defined contracting categories. Those contracting categories have been shown to have a statistically significant variance from the amount of contracting dollars that would be expected to go to minorities and women, based on the availability of such firms in particular contracting categories.

3. The proposed ordinance contains the following five findings with respect to the subcontracting practices of the City's prime contractors, based on oral and written testimony submitted in the MBE/WBE/LBE II Ordinance hearings, the 1983 and 1989 reports of the Human Rights Commission, the 1989 reports of the Budget Analyst, the 1989 report of BPA Economics, Inc., and relying upon the Board's knowledge about the City's compliance with the small minority and small women business contracting program:

a. The evidence before the Board reflecting that small minority and small women owned businesses are receiving City construction subcontracting dollars that are comparable to the availability of such businesses merely reflects that prime contractors competing for City construction contracts were complying with the City's SMBE/SWBE subcontracting program during FY 1987-88.





- b. The weight of the testimony and other evidence before the Board indicates that nonminority construction contractors doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities.
  - c. Race- and gender-neutral measures employed by the City since February 1989 have not prevented the City from being a passive participant in the systematic discrimination against SMBE/SWBE firms.
  - d. Unless the City takes positive steps to prevent discrimination against SMBE/SWBE firms by the City's prime contractors, the City will become a passive participant in the system of racial- and gender-based exclusion practiced by the City's prime construction contractors.
  - e. The City's SMBE/SWBE subcontracting program for construction contracts must be continued to prevent the City from once again becoming a passive participant in the systematic exclusion of SMBE/SWBE firms from subcontracting opportunities on City construction contracts.
4. The proposed ordinance contains the following provisions with respect to the policy, scope, definitions, powers and duties of the HRC and its Director, powers and duties of contract awarding authorities, SMBE/SWBE participation goals, monitoring and reporting, compliance, review and implementing instructions:
- a. Policy: The City will rely on the relationship between the percentages of SMBE/SWBE firms in the relevant business community sector and their respective shares of City subcontract dollars as a measure of the effectiveness of this proposed ordinance.
  - b. Scope: The ordinance would apply only to the award of subcontract dollars by the City's prime construction contractors.



c. Definitions: Although the wording may be slightly different on a few of the definitions because of the emphasis on subcontracting as opposed to prime contracting, with the following exceptions, the definitions section is a subset of the definitions section of the MBE/WBE/LBE Ordinance II:

- (1) Back Contracting;
- (2) Economically Disadvantaged;
- (3) Small Minority Business Enterprise (SMBE);
- (4) Small Women Business Enterprise (SWBE);
- (5) Small Woman/Minority Man Business Enterprise (SW/MBE);
- (6) Subcontractor.

d. Powers and Duties: The Human Rights Commission would have the following powers and duties:

- (1) Data collection, analysis and reporting;
- (2) Levying sanctions;
- (3) Amending existing rules and regulations establishing standards and procedures for administering the ordinance.

e. The Director, Human Rights Commission, in addition to the duties and powers given elsewhere, would certify businesses as bona fide SMBE/SWBE firms and be responsible for providing information and assistance to SMBE/SWBE firms.

f. City Departments or Contract Awarding Authorities would have the following powers and duties:

- (1) Impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of the ordinance:

- (2) Not award any contract to a person or business who or which is disqualified from doing business with the City under the provisions of the ordinance.

g. All construction contracts would include the following requirements:

- (1) Require, where subcontracting is utilized, that the bidder demonstrate every "good faith effort" to subcontract with SMBE/SWBE firms;



(2) Require a signed notarized statement declaring the intention to fully comply with the provisions of the Ordinance;

(3) Incorporate the Ordinance by reference and provide that the failure of any bidder, contractor, or subcontractor to comply with any of its requirements shall be deemed a material breach of contract;

(4) Incorporate liquidated damages provisions;

(5) Specify the continuing responsibilities of prime contractors during the term of the contract with respect to fulfilling SMBE/SWBE participation commitments, good faith efforts to utilize SMBE/SWBE firms, urging subcontractors to utilize SMBE/SWBE firms, and maintaining records necessary for monitoring compliance with the provisions of the Ordinance.

(6) Specify that whenever contract amendments are made which cumulatively increase the total dollar value of the contract by more than ten percent, the contractor shall comply with those SMBE and SWBE provisions of the Ordinance that applied to the original contract with respect to the amendment.

(7) Prohibit "back contracting" to the prime contractor or higher tier subcontractor for any purpose inconsistent with the provisions of the Ordinance.

h. SMBE and SWBE participation goals:

(1) Contracts for construction, the estimated cost of which exceeds \$50,000, would be awarded in accordance with the following standards and procedures:

(a) The Director, HRC, would set the SMBE and SWBE participation goals based on the degree to which such goals would contribute to increasing the participation of SMBEs and SWBEs in City contracts, the level of participation of SMBEs and SWBEs in contracts awarded by other governmental agencies in San Francisco, and the availability of SMBEs and SWBEs that are capable of performing the services required.



(b) Bids and proposals shall identify the particular SMBE/SWBE firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the bid or proposal.

(c) During the term of the contract, any willful failure to comply with the levels of SMBE/SWBE participation identified in the bid or proposal shall be deemed a material breach of contract.

(d) A contracting awarding authority or a department may request the Director to waive the requirements with respect to this section, or to reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the Director prior to solicitation of bids or proposals. A contractor may request the contracting awarding authority or department to waive or reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the contract awarding authority at the time of the bid or proposal. The Director or the contract awarding authority, as the case may be, shall grant such a waiver or reduction of the SMBE/SWBE goal based on the nature of the work or availability of qualified SMBE/SWBE firms capable of performing the work.

i. Monitoring, Reporting, and Compliance: The requirements and responsibilities covering this subject are essentially the same as those in the MBE/WBE/LBE II Ordinance.

j. Review: The Commission shall review and report to the Board of Supervisors, the Chief Administrative Officer, and the Mayor annually on the extent of SMBE and SWBE participation in City prime construction contracts. If in the opinion of the Commission, the objectives of the Ordinance have been achieved in whole or in part, the Commission shall recommend to the Board of Supervisors that those sections be repealed. The Ordinance shall expire three years from its effective date unless extended by the City.





k. Implementing Regulations: The HRC shall, within 30 days of the enactment of this Ordinance, establish appropriate amendments to the rules, regulations, and procedures adopted and promulgated by the HRC pursuant to Ordinance 139-84. The public and affected agencies shall have the opportunity to provide input to and comment on the amendment to the regulations prior to their formal adoption. The rules and regulations shall provide for administrative procedures that allow a prime construction contractor to establish that the Ordinance's remedial measures should not be applied to the construction industry at the time that SMBE/SWBE participation in construction contracts has reached parity with the available number of SMBE/SWBE firms in the relevant business community and SMBE/SWBE firms no longer suffer from a competitive disadvantage in the construction industry.

**Comments:**

1. The proposed Ordinance is in a first draft form.

2 Findings one (point 3a.) and two (point 3b.), which are concerned with the degree of participation SMBE/SWBE firms have experienced in construction contracting in the City, as reflected in testimony before the Board of Supervisors, appear to be contradictory. Finding one states that evidence before the Board shows that SMBE/SWBE firms are awarded subcontract dollars that are comparable to the available numbers of SMBE/SWBE firms in the relevant market. Finding two states that evidence presented to the Board reflects that nonminority construction contractors competing for or doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities on City construction contracts.

**Recommendation:** Approval of this proposed ordinance is a policy matter for the Board of Supervisors.



Item 3 - File 143-89-5

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** Police Department

**Item:** Resolution authorizing the Chief of Police to apply for, accept and expend a State grant to expand existing senior escort patrol services.

**Source of Grant:** California Office of Criminal Justice Planning  
Community Crime Resistance Program

**Amount:** \$85,122

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Expansion of Services for the Senior Escort Patrol Project

**Project Description:** The Police Department's Senior Escort Program (SEP) would establish four "Escort Patrols" in the Tenderloin (4 teams), South of Market (2 teams), Western Addition (2 teams), and San Francisco General Hospital (1 team). The sum of nine teams, each staffed with two patrol persons, equals a total of eighteen patrol persons. The patrols would provide a combination of services including a "safety watch" over specific routes which are heavily traveled by seniors and the "pick-up" of clients from their homes and escorting them to destinations within their neighborhoods. Equipped with hand held portable radios, the patrols would have the ability to call for emergency services, to report crimes and to maintain contact with a base station.

According to the Senior Escort Program, an existing escort patrol working in the Western Addition has proven to be a significant crime deterrent as evidenced by a substantial reduction in crime during its hours of operation. Similar operations in the Tenderloin and South of Market would enable hundreds of senior citizens to move about freely. The patrol in San Francisco General Hospital would be designed to assist older adults through the maze of clinics and services which are often confusing and stressful for senior citizens.



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The proposed grant will principally fund (1) a Patrol Director who will oversee the patrol operations and the crime prevention activities of the Escort Patrol Division, (2) the purchasing of radio equipment to establish a radio base station with a range for the entire City and 25 portable radios for a patrol staff to be in constant contact with the Senior Escort Patrol Administration, and (3) sponsorship of "Crime Prevention Workshops" on a City-wide basis for community senior citizen programs, organizations and housing complexes.

<b>Project Budget:</b>	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>	
	Patrol Director	1.0	\$36,000	
	Fringe Benefits	---	<u>10,350</u>	
	Subtotal - Personnel	1.0		\$46,350
	<u>Operating Expenses</u>			
	Travel (2 grant related conferences for 2 staff persons to Los Angeles, and Patrol Director's mileage)		\$2,768	
	Training (CPR, First-Aide, Personnel and Time Management, Budget Preparation, Grant Writing, Operation of Base Station)		1,430	
	Clothing (Raincoats, pants and boots)		1,400	
	Newsletters		1,000	
	Audit		<u>1,011</u>	
	Subtotal - Operating Expenses			7,609
	<u>Equipment</u>			
	25 Hand Held Portable Radios		\$32,988	
	Base Station		1,427	
	Related Costs (Microphones, radio cases, batteries, battery chargers, etc.)		<u>9,882</u>	
	Subtotal Equipment			44,297

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<u>Indirect Costs</u> (5% of total project less equipment and indirect costs)	<u>2,840</u>
Total	\$101,096
Less Local Match	<u>15,974</u>
Requested Grant	<u><u>\$85,122</u></u>

<b>Local Match:</b>	Cash Match	\$12,249
	In-kind services	<u>3,725</u>
	Total	\$15,974

- Comments:**
1. With the prior approval of Ordinance 240-89, the Board of Supervisors has authorized the transfer of \$26,000 from Police Department Permanent Salaries to provide a cash match for the proposed State grant. According to Lt. John Robinson the residual amount of \$13,751 (\$26,000 less the required \$12,249) not needed for the local cash match will be returned to the General Fund.
  2. The original grant application was made in the amount of \$94,579. The final amount available has been reduced by \$9,457 to \$85,122.

**Recommendation:** Approve the proposed resolution.

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Item 4 - File 97-89-29

**Note:** This item was continued from the July 31, 1989 Governmental Operations Committee Meeting.

1. The proposed ordinance would amend Section 10B.2 of the San Francisco Administrative Code relating to the payment for special law enforcement services provided by the Police Department to individuals or organizations requesting such services. Currently, Section 10B.2 provides that the amount of the payment is the sum of (1) the rate paid or payable to the uniformed officers performing the additional services for the actual time they perform such duties, (2) the costs of additional equipment and materials, and (3) administrative costs of 22.5 percent of personnel, equipment and materials costs. Section 10B.2 also provides that the payments received for the special law enforcement services be deposited in a special account for Police Department public facilities overtime, except for the payment for the 22.5 percent overhead costs which is deposited to the General Fund.

2. The proposed ordinance would amend Section 10B.2 to provide the 22.5 percent overhead payments also be deposited into the public facilities overtime account rather than to the General Fund. At the end of each fiscal year, any funds remaining in the public facilities overtime account would be deposited to the General Fund.

3. According to Lt. John Robinson of the Police Department, the 22.5 percent overhead costs for FY 1988-89 which were deposited to the General Fund totalled approximately \$145,000.

**Comments**

1. According to Lt. Robinson, uniformed officers who participate in special law enforcement services perform these additional duties on an overtime basis and therefore are paid at a rate of time-and-a-half. Lt. Robinson indicates that the Police Department budget does not include funds for overtime for these special services. The Police Officers are paid from the special account, which is administered by the Treasurer. The Police Officers are paid after the individual or organization using the services have paid for the services.

2. Lt. Robinson reports that the additional 22.5 percent overhead costs are needed for the special public facilities overtime account because some organizations that use the special law enforcement services do not pay for the entire amount of the actual costs. For example, the existing lease with the San Francisco Giants does not require the Giants to pay for law enforcement services provided at Candlestick Park. The Giants, based on an informal agreement with the City, however, have agreed to pay straight time rather than time-and-a-half for the officers provided. Therefore, the current amount deposited to the special account for rates paid to the officers and for equipment and materials are insufficient to cover the Police Department's actual costs. According to Lt. Robinson, in FY 1988-89, the special public facilities overtime account incurred a



shortage of \$78,753 for services provided to the Giants. Lt. Robinson reports that the shortage was funded through a transfer of funds from the Police Department's budgeted overtime funds. Lt. Robinson advises that the additional 22.5 percent overhead costs in the special account would allow the Police Department to use the monies collected for the special law enforcement services to cover the Department's actual costs for providing the services, rather than using funds which have been budgeted for other purposes. Lt. Robinson indicates that the proposed ordinance would decrease the amount of the overtime budget shortfall which the Department encounters at the end of the fiscal year.

3. According to Lt. Robinson, the proposed ordinance would allow the Police Department to pay the officers for the special law enforcement duties in a more timely manner. Lt. Robinson advises that the City is currently not in compliance with Section 9 of the Salary Standardization Ordinance for Police and Fire, which stipulates that the uniformed officers must be paid for overtime within 14 days after performing the duties. Lt. Robinson indicates that some of these officers currently wait up to three months to be paid for these additional duties. Lt. Robinson indicates that adding the amount for 22.5 percent overhead costs to the special overtime account would create a temporary surplus in the account and allow the Department to pay the officers for the special overtime duties in a timely manner. Lt. Robinson indicates that funds remaining in the special overtime account at the end of the fiscal year would be forwarded to the General Fund.

4. The Budget Analyst believes that the 22.5 percent for overhead costs should not be available for additional Police overtime costs, but rather should continue to be deposited to the General Fund in order to cover the City's overhead costs of providing the special law enforcement services. If the Police Department requires additional overtime funds, the Department should request the funds through the regular budgetary process or supplemental appropriation process. Therefore, the Budget Analyst believes the proposed ordinance should not be approved.

5. Based on subsequent discussion with Lt. Robinson, the Police Department wishes to withdraw the proposed ordinance. Lt. Robinson reports that the Police Department will work with the Controller's Office to improve the Police Department's accountability for each overtime assignment. Overtime services provided to the Giants would be separately accounted for to enable overtime expenditures to be funded through the Police Department's overtime account.

### **Recommendation**

Table the proposed ordinance, based on the request of the Police Department.



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Item 5 - File 186-89-18

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** Department of Public Health (DPH), Division of Mental Health Programs, Community Mental Health Services

**Proposed Action:** The proposed resolution would approve the City's and County's preliminary Short-Doyle Plan (Part A) for mental health services for fiscal year 1989-90. The Board of Supervisors' approval is required by the State Short-Doyle Act.

**Description:**

1. The preliminary Short-Doyle Plan (Part A) was prepared by DPH for submission to the State of California, Department of Mental Health and contains endorsements, assurances of compliance and summary budget information for 1989-90.
2. A comparison of the proposed program budget with the fiscal year 1988-89 is as follows:

	<u>Fiscal Year</u> <u>1988-89</u>	<u>Fiscal Year</u> <u>1989-90</u>	<u>Increase</u> <u>Decrease</u>
State Short Doyle Funds	\$31,235,659	\$31,062,683	\$(172,976)
Miscellaneous Revenues*	28,017,863	27,832,221	(185,642)
Required City Match	4,579,173	5,132,102	552,929
City Overmatch	<u>29,475,580</u>	<u>26,172,994</u>	<u>(3,302,586)</u>
Program Total	\$93,308,275	\$90,200,000	\$(3,108,275)

\*Grants, patients fees, patient insurance, Medi-Cal (both federal and non federal) and Medicare.

**Comments:**

1. The total program costs of \$90,200,000 includes \$69,046,151 for community programs and \$21,153,849 for the Napa State Hospital services provided to San Francisco City and County residents.
2. The required City match of \$5,132,102 is based on a 10% match for inpatient services and 15% match for outpatient services. The City Overmatch revenue of \$26,172,994 is funding above that which is required for the Short-Doyle Plan.
3. The preliminary Short-Doyle Plan (Part A) has been approved by the Mental Health Advisory Board's Planning and Policy Committee.

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4. Later in the fiscal year, the Department of Public Health will submit another resolution which would approve the submission of the final Short-Doyle Plan (Part B). Part B will detail the City's mental health services, including the eligibility requirements for clients, description of various programs and a final budget of proposed City costs to provide mental health services. Approval by the Board of Supervisors of the final Short-Doyle Plan is required prior to the release by the State of the City's full Short-Doyle allocation to the City.

5. The Short-Doyle plan includes all of the City's budgeted mental health service programs as well as proposed programs that are subject to future approvals of grant funds.

**Recommendation:** Approve the proposed resolution.





Item 6 - File 62-89-7

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** Airports Commission

**Item:** Ordinance approving the five-year North Terminal Bookstore Lease between Host International, Inc., and the City and County of San Francisco.

**Description:** 1. The proposed ordinance would approve a five-year lease agreement between Host International, Inc., and the City for a bookstore and warehouse space in the North Terminal Building totalling 3,277 square feet. The five-year lease would begin upon the Mayor's approval of the lease, and after the current tenant vacates the premises on January 1, 1990, and upon realization of the earlier of the following cases: 1.) 90 days thereafter, or 2.) the tenant completes the necessary remodelling. The proposed lease would provide that the tenant pay an annual rent of either 20 percent of gross revenues or a minimum annual rent, whichever is greater.

2. The Airports Commission received three bids, with Host International offering the highest effective bid of a minimum annual rent of \$2,030,000, or \$10,150,000 over the five-year term. The minimum annual rent of \$2,030,000 represents an increase of \$812,033 over the minimum annual rent of \$1,217,967 under the current lease agreement with ABC Cigar, which specifies that the space be used as a gift shop and newsstand, rather than a bookstore.

Annual revenues payable by ABC Cigar to the Airport in FY 1988-89 were \$1,217,967. The Airport estimates that the first year of the proposed lease would generate \$2,030,000 in rentals to the Airport. In both instances, these payments represent the annual minimum.



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3. The three bids received are as follows:

<u>Bidder</u>	<u>Minimum Annual Rent Paid</u>	<u>Preference</u>	<u>Effective Minimum Annual Rent Bid</u>
Host International	\$2,030,000	LBE (5%)	\$2,131,500 *
ABC Cigar	1,487,500	MBE/LBE (10%)	1,636,250
W. H. Smith	962,000	LBE (5%)	1,010,100

\*High Bid

- Comments:**
1. The award of the proposed lease to Host International was approved by the Airports Commission at its meeting on June 27, 1989.
  2. The Human Rights Commission has verified the LBE status of Host International and has negotiated an employee affirmative action plan with Host International.

**Recommendation:** Approve the proposed ordinance.

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Memo to Governmental Operations Committee  
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Item 7 - File 68-89-7

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

<b>Department</b>	Mayor's Criminal Justice Council (MCJC)	
<b>Item:</b>	Resolution authorizing the Mayor to apply for, accept and expend federal grant funds.	
<b>Amount:</b>	\$25,000	
<b>Source of Grant:</b>	National Highway Traffic Safety Administration	
<b>Grant Period:</b>	July 1, 1989 through June 30, 1990	
<b>Grant Project:</b>	Bay Area Coalition/Driving Under the Influence Project	
<b>Description:</b>	The proposed grant would fund a project to coordinate the development of a community-based group comprised of public and private sector representatives to promote alcohol highway safety efforts in the San Francisco Bay Area. The project would focus on interaction with the hospitality industry, including bars, hotels, taxicabs, and sports and entertainment arenas.	
<b>Grant Budget:</b>	MCJC Contract Personnel (0.50 FTE)	\$19,596
	Intern (one @ \$6.50/hr. for 25 hrs./wk for 12 weeks)	1,950
	Travel	1,000
	Supplies	700
	Indirect Costs	<u>1,754</u>
	Total Grant	\$25,000
<b>Indirect Costs:</b>	8 percent	
<b>Required Match:</b>	None	

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**Comment:** The MCJC currently operates a State-funded Driving Under the Influence Project which focuses on coordinating public and private sector agencies to reduce drunk driving in San Francisco. The National Highway Traffic Safety Administration has identified the City's efforts as a model program for reducing drunk driving and proposes that the City expand its efforts to work with the public and private sectors around the Bay Area. According to Ms. Jo Anne Sanzeri of the MCJC, MCJC believes these expanded efforts would benefit the City because many of the drunk drivers that are apprehended in San Francisco reside in other Bay Area cities.

**Recommendation:** Approve the proposed resolution.

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Item 8 - File 89-89-5

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

1. The proposed resolution would authorize employees in various classifications to enroll in the State Disability Insurance (SDI) Program. The cost of SDI coverage would be paid by the employees through normal payroll deductions. The proposed legislation would not involve significant cost to the City as the Controller's payroll/personnel system is programmed to include this deduction.

2. SDI pays disability benefits to employees who suffer a non-industrial injury or illness. SDI-eligible employees have been paying into the SDI system since July 1, 1981. Currently, the payroll deduction is 0.9% of the first \$21,900 of gross salary for each employee (maximum of \$197.10 annually). While SDI coverage is mandatory for all employees within bargaining units enrolled in the SDI program, it is not mandatory that employee classifications which are not represented by a bargaining unit be included in the SDI program unless a majority of employees within the classification requests coverage.

3. The following classifications which are not represented by a bargaining unit would be authorized to enroll in the State Disability Program under this proposed ordinance.

<u>Position</u>	<u>Classification</u>	<u>No. of Employees</u>
7395	Ornamental Iron Worker	9
9342	Ornamental Iron Worker Supervisor I	1
9770	Community Development Assistant	1
2116	Associate Director, Medical Records	3
3650	Medical Records Librarian	1
8152	Senior Claims Investigator	1
1812	Assistant Retirement Analyst	16

4. The Employee Relations Division (ERD) reports that it has received individual letters requesting coverage signed by the Ornamental Iron Worker Supervisor I, the Community Development Assistant, the Medical Records Librarian and the Senior Claims Investigator, and individual letters signed by the majority of employees in the Ornamental Iron Workers, Associate Director of Medical Records and Assistant Retirement Analyst classifications.

**Comments**

The Employee Relations Division indicates that the Ornamental Iron Worker classification, which is shown in the proposed legislation as a 7396 class, should be shown as a 7395 class.

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**Recommendation**

Amend the proposed legislation to change the Ornamental Iron Worker class from 7396 to the correct class of 7395 and approve the proposed resolution as amended.



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Item 9 - File 138-89-6

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** District Attorney's Office

**Item:** Resolution authorizing the District Attorney to apply for, accept and expend funds for the continuation of a State grant.

**Source of Grant:** California Office of Criminal Justice Planning

**Amount:** \$150,889

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Child Abuse Vertical Prosecution Program

**Project Description:** The District Attorney established the Child Abuse Vertical Prosecution Program in 1986. Vertical prosecution refers to continuing the same attorney on a case who initiates the charges in the case or authorizes the warrant through the Municipal and/or Superior Courts until the case is adjudicated. The program was established in response to the increase in reported child abuse cases (especially sexual abuse against children) in order to effectively prosecute severe child sexual abuse cases and to minimize the emotional trauma to child victims during legal proceedings.

Project staff will focus on cases where there is a parallel action in dependency court or family court, thus directly affecting the child by reducing the stress and trauma experienced in the legal process. The project attorney will handle the entire criminal proceeding ("true vertical") and the direct examination of the child in dependency or family court proceedings. The investigator will coordinate the scheduling and information sharing problems presented within this four-agency, three-court system. This coordination responsibility will be in conjunction with the investigator's regular assigned duties.

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<b>Project Budget:</b>	<u>Personnel</u>	<u>FTE</u>	<u>Amount</u>
	Head Attorney (8182)	.07	\$ 6,188
	Principal Attorney (8180)	1.00	74,620
	Asst. Investigator (8132)	1.00	29,094
	Bookkeeper (8132)	.10	3,187
	Fringe Benefits		<u>28,717</u>
	Subtotal Personnel	2.17	\$141,806
	<u>Operating Expense</u>		
	Travel (One grant related conference)		\$ 524
	Postage		54
	Copying		311
	Audit		<u>1,059</u>
	Subtotal Operating Expenses		\$ 1,948
	<u>Indirect Costs</u> (5% of \$142,695 - all costs except the \$1,059 audit fee)		<u>7,135</u>
	Total		\$150,889

**Local Match:** None

**Comments:**

1. The proposed grant funds of \$150,889 represent an increase of \$15,089 or approximately 11% more than the \$135,800 level of funds received for the 12-month period March 1987 through February 1988.
2. According to Ms. Carla Dalberg in the District Attorney's Office, this program was funded from the General Fund between March 1988 and June 1989 because there were no State funds available for this project.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 10 - File 138-89-7

**Note:** This item was continued by the Governmental Operations Committee at its meeting of July 31, 1989.

**Department:** District Attorney

**Item:** Resolution authorizing the District Attorney to apply for, accept and expend continuation State grant funds.

**Source of Grant:** California Office of Criminal Justice Planning

**Amount:** \$75,000

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Gang Violence Suppression Program

**Description:** This would be the fifth year of funding for the Gang Violence Suppression Program. The measurable objectives to be accomplished during the grant period are: (1) target known gang leaders and increase the number of gang leaders prosecuted by 15%; (2) increase the incarceration rate to 75% or above so that almost every gang member targeted will be incarcerated as a result of that prosecution; and (3) increase the targeting of gang members on probation from previous convictions by 50%, and revoke those probations when there is any subsequent illegal conduct.

The staff prosecutor will vertically prosecute all adult gang members involved in gang-related activity and will coordinate with the juvenile prosecution of related gang members. Vertical prosecution is the using of the same attorney on a case from initiating the charges or authorizing the warrant through the Municipal and/or Superior Courts until the case is adjudicated.

The staff prosecutor will also be an integral part of the Gang Event Response Team and will work with the investigating agencies before and after arrests are made on gang violence cases. The prosecutor will be on-call 24 hours per day for any assistance needed during the course of those investigations, and will coordinate all probationary sentences and revocations with the two gang violence probation officers.

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Project Budget:	Personnel	FTE	Amount
	Principal Attorney (8180)	.85	\$69,947
	Assistant Investigator (8132)	.15	4,780
	Fringe Benefits		<u>18,558</u>
	Subtotal - Personnel	1.00	\$93,285
	<u>Operating Expenses</u>		
	Travel (one grant-related conference)		524
	Telephone		337
	Postage		40
	Office Supplies		100
	Audit		<u>1,000</u>
	Subtotal - Operating Expenses		2,001
	Indirect Costs (5% of \$94,286 - all costs except the \$1,000 audit fee)		<u>4,714</u>
	Total		\$100,000
Local Match:	\$25,000		
Comment:	The level of funding requested in this proposal is the same level of funding received in FY 1988-89.		
Recommendation:	Approve the proposed resolution.		

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Item 11 - File 97-88-69

**Department:** Police Department

**Item:** Ordinance amending Section 2.70-6, Chapter 2, Article VIII of the San Francisco Administrative Code relating to Police Department fees for street fairs, appeals, refunds of fees, annual Police Department Reports and setting an effective date for imposition of Police fees.

**Description:**

1. Section 2.70-6, Chapter 2, Article VIII of the Administrative Code contains the process for applying for temporary use of streets for street fairs. Section 2.70-6 currently authorizes the Police Department to assess a flat fee of \$100 to cover Police costs for street fairs and provides for an appeals process regarding denied permits and the imposition of permit conditions.
2. The proposed ordinance would amend Section 2.70-6 by stipulating that Police Department fees would be based on 40 percent of the projected Police Department costs incurred due to the street fair, with a maximum fee of \$2,500 per fair. The proposed amendment would also stipulate that the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) determine the street fair permit fees at least 60 days prior to the date of the street fair and that ISCOTT may waive all or part of this fee if the event sponsors are able to demonstrate that they are unable to pay the full fee. In addition, the proposed amendment would provide that appeals regarding the determination of fees would be heard by the Board of Supervisors, that refund of the permit fees would be allowed for cancelled street fairs, and that the Police Department shall submit an annual report to the Board of Supervisors detailing Police Department costs associated with street fairs for that year.



**Comments:**

1. According to Sgt. Rossett of the Police Department, the Police Department provided services for eight street fairs in 1988-89 and received \$800 in fees (\$100 per street fair). Based on the actual costs per street fair for police services in 1988-89, Sgt. Rossett estimates that the proposed Police fees would generate approximately \$13,736 for the eight street fairs scheduled for 1989-90, which is an increase of \$12,936 over the \$800 received in 1988-89 under the current fee schedule. Sgt. Rossett indicates that the actual Police costs for the eight street fairs in 1988-89 was \$130,291, which included \$70,000 for the Carnival Street Fair and \$33,000 for the Lower 24th Street Fair.

2. The other departmental permit fees, which may or may not apply to each street fair event, include the following:

Fire Department Fee	\$129.00	
Public Health - Application Fee	\$50.00	
- Permit Fee	25.00	per food booth for the first day, \$10.00 per day after first day
MUNI Fee	\$4.42	per hour per electrically powered coach per MUNI line affected.

3. Although the proposed increase in fees would reduce the City's net costs for Police services at street fairs, the City would still be contributing approximately \$116,555 (\$130,291 in costs less \$13,736 in estimated revenues) in Police services annually to street fairs.

**Recommendation:**

The level to which the City contributes to street fairs for the benefit of the public is a policy matter for the Board of Supervisors. Therefore, approval of the proposed ordinance is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



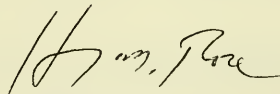


Item 12 - File 154-89-1

1. This item is a hearing to consider authorizing (by Board of Supervisors Resolution) an actuarial study to be performed on the costs of amending the existing contract between the City and the Public Employees Retirement System (PERS) to allow certain Airport Police, Housing Authority Police and Institutional Police employees to be entitled to "2% at 50" retirement benefits instead of "2% at 55" which they are currently entitled to. ("2% at 50" means a retiring employee would receive retirement benefits at age 50 equal to two percent of the employee's final salary multiplied by the number of years of employment.)

2. Airport Police, Housing Authority Police and Institutional Police are currently members of the State Employees Retirement System (PERS) under the "2% at 55" benefit plan. No Social Security costs are incurred for these employees, who contribute 9% of their pay (employee contribution) to PERS. Deputy Sheriffs are members of the "2% at 50" benefit plan and contribute 7.5% of their pay (employee contribution) to PERS.

3. Charter Section 8.506-2 which authorized the Airport Police, Housing Authority Police and Institutional Police to transfer from the City's Employees Retirement System to PERS contains a requirement that this transfer will result in no net increase in cost to the City. However, according to Mr. Kieran Murphy, Actuary for the City's Employees Retirement System, PERS has informed the City that to move the Airport Police, Housing Authority Police and Institutional Police from the "2% at 55" plan to the "2% at 50" plan, the rate of the City's (employer's) contribution for retirement benefits for all existing and new employees in the "2% at 50" plan would increase by approximately 2.7% from 19.14% to 21.84%. This conversion would cost the City approximately \$650,000 per year according to Mr. Murphy.



Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board

Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



CALENDAR  
 MEETING OF  
 GOVERNMENTAL OPERATIONS COMMITTEE  
 BOARD OF SUPERVISORS  
 CITY AND COUNTY OF SAN FRANCISCO

ACTIONS TAKEN  
 AUG 25 1989

PUBLIC LIBRARY

MONDAY, AUGUST 21, 1989 - 10:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

CLERK: GAIL JOHNSON

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Governmental Operations Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - (a) File 64-89-25. [Extension of Existing Lease] Resolution authorizing extension of an existing lease of real property at 1155 Market Street for the Employees' Retirement System. (Real Estate Department)  
(Continued from 7/31/89)
  - (b) File 64-89-27. [Lease of Real Property] Resolution authorizing extension and amendment of lease of real property at 100 McAllister Street for the Public Utilities Commission. RO #9025. (Real Estate Department)  
(Continued from 7/31/89)
  - (c) File 64-89-28. [Lease of Real Property] Resolution authorizing extension of two leases of real property at 1212 Market Street for the Health Service System and the Controller. RO #9027. (Real Estate Department)  
(Continued from 7/31/89)
  - (d) File 89-89-6. [State Disability Insurance] Resolution authorizing enrollment of Classifications 1544 Secretary to Library Commission; 3642 Coordinator of Adult Services; 3640 Coordinator of Children's Services; 3668 Assistant City Librarian; and 3670 City Librarian in the State Disability Insurance Program. (Employee Relations Division)  
(Continued from 7/31/89)
  - (e) File 89-89-7. [State Disability Insurance] Resolution authorizing enrollment of Classification 0588 Civil Courts Coordinator in the State Disability Insurance Program. (Employee Relations Division)
  - (f) File 138-89-5. [Office of Criminal Justice Planning] Resolution authorizing the District Attorney of the City and County to apply for, accept and expend funds in the amount of \$233,617 made available through the Office of Criminal Justice Planning for a project entitled "Victim/Witness Assistance Center". (Mayor)  
(Continued from 7/31/89)



- (g) File 146-89-49. [Grant - State Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Family Health Bureau, to apply for, accept and expend a grant of \$152,990 (Contract 88-94497) from the State Department of Health Services for perinatal improvement/Margolin implementation for Fiscal Year 1989-90. (Mayor)
- (h) File 148-89-5. [Grant - State Funds] Resolution authorizing the Director of Public Works to apply for, accept and expend State funds for participation in the 1990 California Department of Transportation's Fuel Efficient Traffic Signal Management Program. (Department of Public Works)

ACTION: Recommended.

#### REGULAR CALENDAR

2. File 97-89-20. [Small Minority and Small Women Business Enterprises] DRAFT ordinance amending the Administrative Code by adding Chapter 12G, relating to the award of subcontracts by City and County prime construction contractors to small minority and small women business enterprises (Supervisors Kennedy, Ward, Maher)

ACTION: Continued to August 28, 1989 meeting

3. File 143-89-5. [OCJP Funding] Resolution authorizing the Chief of Police to apply for, accept and expend funds in the amount of \$85,122 made available through the Office of Criminal Justice Planning for a project entitled "Expansion for the Senior Escort Patrol Project" and agreeing to provide cash match in the amount of \$12,249. (Mayor)  
(Continued from 7/31/89)

ACTION: Amended by adding Further Resolved clause at the end of resolution, as follows: "FURTHER RESOLVED, That consolidation of the Senior Escort Patrol Project is being considered by the City and County of San Francisco. The adoption of this resolution is not an endorsement or commitment for or against the proposed consolidation, which will be considered and resolved at a future date."  
Recommended as amended.

4. File 97-89-29. [Special Law Enforcement Services] Ordinance amending Administrative Code, by amending Section 10B.2, relating to the payment for special law enforcement services. (Police Commission)  
(Continued from 7/31/89)

ACTION: Tabled (at request of sponsor).

5. File 186-89-18. [Short-Doyle Plan, 1989-90] Resolution approving the San Francisco City and County Short-Doyle Plan for Mental Health Services in Fiscal Year 1989-90, Part A. (Department of Public Health)  
(Continued from 7/31/89)

ACTION: Recommended.



6. File 62-89-7. [Airport Concession Lease] Ordinance approving "North Terminal Bookstore Lease" between Host International, Inc., and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)  
(Continued from 7/31/89)

ACTION: Recommended.

7. File 68-89-7. [Grant - Federal Funds] Resolution authorizing the Mayor to apply for, accept and expend grant funds in the amount of \$25,000 from the National Highway Traffic Safety Administration for a project entitled the "Bay Area Coalition/Driving Under the Influence Project", for a twelve-month period beginning July 1, 1989 through June 30, 1990. (Mayor)  
(Continued from 7/31/89)

ACTION: Recommended.

8. File 89-89-5. [State Disability Insurance] Resolution authorizing enrollment of Classifications 7396 Ornamental Iron Worker, 9342 Ornamental Iron Worker Supervisor I, 9770 Community Development Assistant, 2116 Associate Director, Medical Records, 3650 Medical Records Librarian, 8152 Senior Claims Investigator and 1812 Assistant Retirement Analyst in the State Disability Insurance Program. (Employee Relations Division)  
(Continued from 7/31/89)

ACTION: Amended on lines 2 and 13, by replacing "7396" with "7395". Recommended as amended. New title: "Authorizing enrollment of Classifications 7395 Ornamental Iron Worker, 9342 Ornamental Iron Worker Supervisor I, 9770 Community Development Assistant, 2116 Associate Director, Medical Records, 3650 Medical Records Librarian, 8152 Senior Claims Investigator and 1812 Assistant Retirement Analyst in the State Disability Insurance Program.

9. File 138-89-6. [Grant - State Funds] Resolution authorizing the District Attorney of the City and County to apply for, accept and expend funds in the amount of \$150,889 from the California Office of Criminal Justice Planning for a project entitled "Child Abuse Vertical Prosecution Program" for a twelve-month period beginning July 1, 1989 through June 30, 1990. (Mayor)  
(Continued from 7/31/89)

ACTION: Tabled (at request of sponsor).

10. File 138-89-7. [Grant - Federal Funds] Resolution authorizing the District Attorney of the City and County to apply for, accept and expend grant funds in the amount of \$75,000 made available through the California Office of Criminal Justice Planning for a project entitled "Gang Violence Suppression Program" for the twelve-month period beginning July 1, 1989 through June 30, 1990; and agreeing to provide cash match in the amount of \$25,000. (Mayor)  
(Continued from 7/31/89)

ACTION: Recommended.





11. File 97-88-69. [Street Fairs] Ordinance amending San Francisco Administrative Code Section 2.70-6, relating to Police Department fees for street fairs, appeals, refunds of fees and annual Police Department reports; and setting an effective date for imposition of police fees. (Supervisor Walker)

ACTION: Recommended.

12. File 154-89-1. Hearing to consider a resolution authorizing an actuarial study to be performed on the costs of amending the existing contract with the Board of Administration of the Public Employees' Retirement System of the State of California to allow certain Airport Police, Housing Authority Police and Institutional Police Employees "2 percent at 50" benefits rather than "2 percent at 55" benefits. (Supervisor Melder)

ACTION: Continued to August 28, 1989 meeting.

13. File 93-89-6. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding regarding pay equity adjustments pursuant to Charter Section 8.407-1 between the San Francisco Federation of Teachers AFT, Local 61, and the City and County. (Employee Relations Division)

ACTION: Recommended.

14. File 93-89-7. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the Laborers International Union, Local 261. (Employee Relations Division)

ACTION: Recommended.

15. File 93-89-8. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the Municipal Architectural Employees Association of San Francisco. (Employee Relations Division)

ACTION: Recommended.

16. File 93-89-9. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the Municipal Attorneys' Association of San Francisco. (Employee Relations Division)

ACTION: Recommended.

17. File 93-89-10. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the United Association of Journeymen and Apprentices of the Plumbing and Pipe Fitting Industry, Local #38. (Employee Relations Division)

ACTION: Recommended.

18. File 93-89-11. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the San Francisco District Attorney Investigators Association. (Employee Relations Division)

ACTION: Recommended.



19. File 93-89-12. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the Sheet Metal Workers Local 104. (Employee Relations Division)

ACTION: Recommended.

20. File 93-89-13. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the International Union of Operating Engineers, Stationary, Local No. 39. (Employee Relations Division)

ACTION: Recommended.



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CITY AND COUNTY



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## BOARD OF SUPERVISORS

*Recommendation*  
BUDGET ANALYST

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

August 18, 1989

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AUG 28 1989

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TO: *Governmental Operations Committee*  
FROM: Budget Analyst  
SUBJECT: *August 21, 1989 Special Governmental Operations Committee Meeting*

### Item 1 - File 12-89-26

1. The proposed resolution would rescind Resolution 449-88 which supports State Senate Bill 2784 (Marks) that (had it passed) would have granted limited Peace Officer status to Institutional Police Officers assigned to Department of Public Health (DPH) facilities. The proposed resolution would also request the Budget Analyst to review the costs involved with granting limited Peace Officer status to all Institutional Police Officers employed by the City and County of San Francisco and would request the State Legislative Committee to consult with departments regarding management and operations impact of granting limited Peace Officer status.

2. During the 1987-88 State Legislative Session, the Governor vetoed SB 2784 that would have granted limited Peace Officer status to DPH Institutional Police Officers despite the City's support of SB 2784, as evidenced by the Board of Supervisors' approval of Resolution 449-88.

3. A new Senate Bill (SB 352) has been introduced at the request of the DPH Institutional Police Officers that would grant DPH Institutional Police Officers limited Peace Officer status. The new bill contains a provision that any new costs resulting from the bill's passage would be borne by the City based on the City's previous support of SB 2784.



4. Lieutenant Edmund Pecinovsky, Commanding Officer of the Police Department's Legal Division indicates that granting DPH Institutional Police Officers limited Police Officer status would result in substantial new costs for the City. These additional new costs would result from the following benefits to the DPH Institutional Police Officers of obtaining limited Police Officer status:

1. Under State Labor Code Section 4850, officers becoming disabled would continue to receive full pay for one year. Currently the officers do not receive disability pay until the fourteenth day after a disability occurs under the Public Employees Retirement System (PERS) disability plan.
2. In accordance with State Penal Code Section 832.5, the DPH would have to establish an "internal affairs" function to receive citizens' complaints and investigate those complaints regarding the officers.

Lieutenant Pecinovsky has not determined the amounts attributable to these new cost items.

5. The City Attorney's Office has stated that Peace Officer status carries with it many implications and potential liabilities. The City Attorney's Office notes that Peace Officers carry guns and make arrests and, because of the difficult and often hostile nature of their interaction with the public, Peace Officers pose a greater threat of costly litigation to the City than do other City employees.

### Comments

1. SB 352 is scheduled to be heard by the California State Public Safety Committee on Tuesday, August 27, 1989.

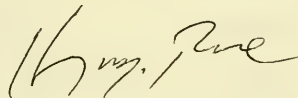
2. A Charter Amendment will be submitted to the citizens of San Francisco on the November 1989 ballot that, if passed, would consolidate the DPH Institutional Police Officers into the Sheriff's Department and give them full Peace Officer status.





**Recommendation**

Approval of the proposed resolution that would rescind a previous Board of Supervisors resolution is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey



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**CALENDAR [ACTIONS TAKEN]**  
**SPECIAL MEETING OF**  
**GOVERNMENTAL OPERATIONS COMMITTEE**  
**BOARD OF SUPERVISORS**  
**CITY AND COUNTY OF SAN FRANCISCO**

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AUG 25 1989

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MONDAY, AUGUST 21, 1989 - 12:00 NOON

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

CLERK: GAIL JOHNSON

1. File 12-89-26. [State Legislation] Resolution rescinding Resolution No. 449-88, supporting Senate Bill 2784 (Marks); requesting the Budget Analyst to review the costs involved with granting limited peace officer status to institutional police officers employed by the City and County and requesting the State Legislative Committee to review with City departments and report to the Board of Supervisors. (Supervisor Nelder)

**ACTION:** Recommended. (TO BOARD AS A COMMITTEE REPORT FOR CONSIDERATION ON AUGUST 21, 1989.)



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AUG 28 1989

BUDGET ANALYST

Recommendation  
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August 24, 1989

**TO:** Governmental Operations Committee  
**FROM:** Budget Analyst  
**SUBJECT:** August 28, 1989 Governmental Operations Committee Meeting

Item 1 - File 97-89-20

**Note:** This item was continued by the Governmental Operations Committee at its meeting of August 21, 1989.

**Item:** Ordinance to amend the Administrative Code by adding Chapter 12G relating to the award of subcontracts by City prime construction contractors to small minority and small women business enterprises (SMBE/SWBE).

**Description:** 1. Based on the United States Supreme Court's decision in City of Richmond v. Croson, the City Attorney in February, 1989, advised departments and contracting awarding authorities to implement a race- and gender-neutral subcontracting program in place of the then existing race- and gender-conscious program, because the statistical basis for the latter had not been a part of the development of the original MBE/WBE/LBE Ordinance.

2. The Board of Supervisors adopted Ordinance No. 175-89, the MBE/WBE/LBE II Ordinance, on May 22, 1989. That Ordinance, which was subsequently signed into law, contains provisions limiting the application of race- and gender-conscious prime contracting remedies to narrowly defined contracting categories. Those contracting categories have been shown to have a statistically significant variance from the amount of contracting dollars that would be expected to go to minorities and women, based on the



availability of such firms in particular contracting categories.

3. The proposed ordinance contains the following five findings with respect to the subcontracting practices of the City's prime contractors, based on oral and written testimony submitted in the MBE/WBE/LBE II Ordinance hearings, the 1983 and 1989 reports of the Human Rights Commission, the 1989 reports of the Budget Analyst, the 1989 report of BPA Economics, Inc., and relying upon the Board's knowledge about the City's compliance with the small minority and small women business contracting program:

a. The evidence before the Board reflecting that small minority and small women owned businesses are receiving City construction subcontracting dollars that are comparable to the availability of such businesses merely reflects that prime contractors competing for City construction contracts were complying with the City's SMBE/SWBE subcontracting program during FY 1987-88.

b. The weight of the testimony and other evidence before the Board indicates that nonminority construction contractors doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities.

c. Race- and gender-neutral measures employed by the City since February 1989 have not prevented the City from being a passive participant in the systematic discrimination against SMBE/SWBE firms.

d. Unless the City takes positive steps to prevent discrimination against SMBE/SWBE firms by the City's prime contractors, the City will become a passive participant in the system of racial- and gender-based exclusion practiced by the City's prime construction contractors.

e. The City's SMBE/SWBE subcontracting program for construction contracts must be continued to prevent the City from once again becoming a passive participant in the systematic exclusion of SMBE/SWBE firms from subcontracting opportunities on City construction contracts.

4. The proposed ordinance contains the following provisions with respect to the policy, scope, definitions, powers and duties of the HRC and its Director, powers and duties of contract awarding authorities, SMBE/SWBE participation goals, monitoring and reporting, compliance, review and implementing instructions:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





a. Policy: The City will rely on the relationship between the percentages of SMBE/SWBE firms in the relevant business community sector and their respective shares of City subcontract dollars as a measure of the effectiveness of this proposed ordinance.

b. Scope: The ordinance would apply only to the award of subcontract dollars by the City's prime construction contractors.

c. Definitions: Although the wording may be slightly different on a few of the definitions because of the emphasis on subcontracting as opposed to prime contracting, with the following exceptions, the definitions section is a subset of the definitions section of the MBE/WBE/LBE Ordinance II:

- (1) Back Contracting;
- (2) Economically Disadvantaged;
- (3) Small Minority Business Enterprise (SMBE);
- (4) Small Women Business Enterprise (SWBE);
- (5) Small Woman/Minority Man Business Enterprise (SW/MBE);
- (6) Subcontractor.

d. Powers and Duties: The Human Rights Commission would have the following powers and duties:

- (1) Data collection, analysis and reporting;
- (2) Levying sanctions;
- (3) Amending existing rules and regulations establishing standards and procedures for administering the ordinance.

e. The Director, Human Rights Commission, in addition to the duties and powers given elsewhere, would certify businesses as bona fide SMBE/SWBE firms and be responsible for providing information and assistance to SMBE/SWBE firms.

f. City Departments or Contract Awarding Authorities would have the following powers and duties:

- (1) Impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of the ordinance:

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



(2) Not award any contract to a person or business who or which is disqualified from doing business with the City under the provisions of the ordinance.

g. All construction contracts would include the following requirements:

(1) Require, where subcontracting is utilized, that the bidder demonstrate every "good faith effort" to subcontract with SDBE/SWBE firms;

(2) Require a signed notarized statement declaring the intention to fully comply with the provisions of the Ordinance;

(3) Incorporate the Ordinance by reference and provide that the failure of any bidder, contractor, or subcontractor to comply with any of its requirements shall be deemed a material breach of contract;

(4) Incorporate liquidated damages provisions;

(5) Specify the continuing responsibilities of prime contractors during the term of the contract with respect to fulfilling SDBE/SWBE participation commitments, good faith efforts to utilize SDBE/SWBE firms, urging subcontractors to utilize SDBE/SWBE firms, and maintaining records necessary for monitoring compliance with the provisions of the Ordinance.

(6) Specify that whenever contract amendments are made which cumulatively increase the total dollar value of the contract by more than ten percent, the contractor shall comply with those SDBE and SWBE provisions of the Ordinance that applied to the original contract with respect to the amendment.

(7) Prohibit "back contracting" to the prime contractor or higher tier subcontractor for any purpose inconsistent with the provisions of the Ordinance.

h. SDBE and SWBE participation goals:

(1) Contracts for construction, the estimated cost of which exceeds \$50,000, would be awarded in accordance with the following standards and procedures:



(a) The Director, HRC, would set the SMBE and SWBE participation goals based on the degree to which such goals would contribute to increasing the participation of SMBEs and SWBEs in City contracts, the level of participation of SMBEs and SWBEs in contracts awarded by other governmental agencies in San Francisco, and the availability of SMBEs and SWBEs that are capable of performing the services required.

(b) Bids and proposals shall identify the particular SMBE/SWBE firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the bid or proposal.

(c) During the term of the contract, any willful failure to comply with the levels of SMBE/SWBE participation identified in the bid or proposal shall be deemed a material breach of contract.

(d) A contracting awarding authority or a department may request the Director to waive the requirements with respect to this section, or to reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the Director prior to solicitation of bids or proposals. A contractor may request the contracting awarding authority or department to waive or reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the contract awarding authority at the time of the bid or proposal. The Director or the contract awarding authority, as the case may be, shall grant such a waiver or reduction of the SMBE/SWBE goal based on the nature of the work or availability of qualified SMBE/SWBE firms capable of performing the work.

i. Monitoring, Reporting, and Compliance: The requirements and responsibilities covering this subject are essentially the same as those in the MBE/WBE/LBE II Ordinance.



j. Review: The Commission shall review and report to the Board of Supervisors, the Chief Administrative Officer, and the Mayor annually on the extent of SDBE and SWBE participation in City prime construction contracts. If in the opinion of the Commission, the objectives of the Ordinance have been achieved in whole or in part, the Commission shall recommend to the Board of Supervisors that those sections be repealed. The Ordinance shall expire three years from its effective date unless extended by the City.

k. Implementing Regulations: The HRC shall, within 30 days of the enactment of this Ordinance, establish appropriate amendments to the rules, regulations, and procedures adopted and promulgated by the HRC pursuant to Ordinance 139-84. The public and affected agencies shall have the opportunity to provide input to and comment on the amendment to the regulations prior to their formal adoption. The rules and regulations shall provide for administrative procedures that allow a prime construction contractor to establish that the Ordinance's remedial measures should not be applied to the construction industry at the time that SDBE/SWBE participation in construction contracts has reached parity with the available number of SDBE/SWBE firms in the relevant business community and SDBE/SWBE firms no longer suffer from a competitive disadvantage in the construction industry.

**Comments:**

1. The proposed Ordinance is in a first draft form.

2 Findings one (point 3a.) and two (point 3b.), which are concerned with the degree of participation SDBE/SWBE firms have experienced in construction contracting in the City, as reflected in testimony before the Board of Supervisors, appear to be contradictory. Finding one states that evidence before the Board shows that SDBE/SWBE firms are awarded subcontract dollars that are comparable to the available numbers of SDBE/SWBE firms in the relevant market. Finding two states that evidence presented to the Board reflects that nonminority construction contractors competing for or doing business with the City systematically exclude qualified SDBE/SWBE firms from subcontracting opportunities on City construction contracts.

**Recommendation:** Approval of this proposed ordinance is a policy matter for the Board of Supervisors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 2 - File 154-89-1

**Note:** This item was continued by the Governmental Operations Committee at its meeting of August 21, 1989.

1. This item is a hearing to consider authorizing (by Board of Supervisors Resolution) an actuarial study to be performed on the costs of amending the existing contract between the City and the Public Employees Retirement System (PERS) to allow certain Airport Police, Housing Authority Police and Institutional Police employees to be entitled to "2% at 50" retirement benefits instead of "2% at 55" which they are currently entitled to. ("2% at 50" means a retiring employee would receive retirement benefits at age 50 equal to two percent of the employee's final salary multiplied by the number of years of employment.)

2. Airport Police, Housing Authority Police and Institutional Police are currently members of the PERS under the "2% at 55" benefit plan. No Social Security costs are incurred for these employees, who contribute 9% of their pay (employee contribution) to PERS. Deputy Sheriffs are members of the "2% at 50" benefit plan and contribute 7.5% of their pay (employee contribution) to PERS.

3. Charter Section 8.506-2 which authorized the Airport Police, Housing Authority Police and Institutional Police to transfer from the City's Employees Retirement System to PERS contains a requirement that this transfer will result in no net increase in cost to the City. However, according to Mr. Kieran Murphy, Actuary for the City's Employees Retirement System, PERS has informed the City that to move the Airport Police, Housing Authority Police and Institutional Police from the "2% at 55" plan to the "2% at 50" plan, the rate of the City's (employer's) contribution for retirement benefits for all existing and new employees in the "2% at 50" plan would increase by approximately 2.7% from 19.14% to 21.84%. This conversion would cost the City approximately \$650,000 per year according to Mr. Murphy.



Memo to Governmental Operations Committee  
August 28, 1989 Governmental Operations Committee Meeting

Item 4 - File 146-89-50

**Department:** Department of Public Health (DPH)

**Item:** Resolution authorizing the DPH to apply for, accept and expend a new State grant.

**Amount:** \$53,035

**Source of Grant:** State Emergency Medical Services Authority

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Study of Medical Dispatch Accuracy in San Francisco

**Project Description:** The proposed grant would fund a six-month project to study the accuracy with which City ambulance dispatchers are able to determine the nature and urgency of calls and to accurately prioritize the calls. This study would provide the DPH with a method of measuring dispatch accuracy as an additional measure of quality assurance. The DPH would also use the findings from this study in planning for a more effective and efficient emergency ambulance deployment system. The University of California, San Francisco (UCSF) would provide research and statistical consultation services on a sole-source contractual basis.

**Project Budget:** Grant Budget

DPH Workorder:		
Paramedic Division Research Asst.	\$10,000	
Fringe Benefits	<u>2,500</u>	
Subtotal		\$12,500
Photocopying		500
Cassette tapes/tape player		150
UCSF Contractual Services:		
Research Assistant (0.25 FTE)	\$12,500	
Data Entry Clerk (0.50 FTE)	16,000	
Statistical Consultation (30 hrs.)	2,000	
Data Processing Supplies	2,700	
UC Contracts Fee	<u>2,520</u>	
Total UCSF Contract		35,720
Indirect Costs		<u>4,165</u>
Total Grant Budget		<u>\$53,035</u>

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



DPH In-Kind Services Budget

Salaries (0.38 FTE)	\$32,800
Mandatory Fringe Benefits	<u>8,200</u>
Total DPH In-Kind Services	<u>\$41,000</u>

Total Project Budget	\$94,035
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**Indirect Costs:** \$4,165 is 8.5 percent of the grant budget

**Required Match:** None

**Recommendations:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
August 28, 1989 Governmental Operations Committee Meeting

Item 5 - File 146-89-51

**Department:** Department of Public Health

**Item:** Resolution authorizing the Department of Public Health (DPH) to apply for, accept and expend Federal grant funds.

**Amount:** \$316,235

**Source of Grant:** Department of Health and Human Services, Centers for Disease Control

**Grant Period** September 1, 1989 through August 31, 1990

**Project:** Sexually Transmitted Disease Prevention and Training Center

**Project Description:** The proposed grant would fund the Sexually Transmitted Disease Prevention and Training Center, under DPH, which provides professional training for health care professionals in the public and private sector regarding sexually transmitted diseases and AIDS clinical patient management and education. The Center is housed in the DPH City Clinic at 356 Seventh St. The primary target groups are health care providers in San Francisco, the Bay Area and Northern California who provide clinical care and education to patients diagnosed with sexually transmitted diseases or AIDS.

<b>Project Budget:</b>	<u>Personnel</u>	<u>FTE</u>	
	Senior Health Educator	1.0	\$50,100
	Physician Specialist	0.4	30,596
	Microbiologist	1.0	43,728
	Secretary II	1.0	29,366
	Fringe Benefits	—	<u>44,599</u>
	Subtotal - Personnel	3.4	\$198,389

BOARD OF SUPERVISORS  
BUDGET ANALYST





Memo to Governmental Operations Committee  
September 13, 1988 Recessed Governmental Operations Committee Meeting

<u>Operating Expenses</u>	
Travel	\$13,370
Xeroxing	4,008
Postage	1,000
Telephone	2,100
Equipment maintenance	1,500
Printing	6,500
Office and educational supplies	8,500
Medical supplies	1,500
Slide Production and Development	<u>2,500</u>
Subtotal - Operating Expenses	\$40,978
<u>Contractual Services - UCSF</u>	
Personnel (0.12 FTE)	\$39,918
Lab Supplies	2,000
Overhead Costs	<u>4,192</u>
Subtotal - Contractual	\$46,110
<u>Indirect Costs</u> (20% of Salaries)	<u>\$30,758</u>
Total	\$316,235

**Comment:** The project would subcontract with the University of California - San Francisco School of Medicine (UCSF) for services that include the development of a training curriculum, and the provision of University faculty to serve as instructors for the project's training courses.

**Local Match:** None

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 6 - File 146-89-2.2

**Department:** Department of Public Health (DPH)  
AIDS Office

**Item:** Release of previously approved and reserved Federal grant funds for the AIDS Prevention and Surveillance Project. The funds were reserved pending the identification of contractual service providers.

**Amount:** \$295,000

**Source of Funds:** U.S. Department of Health and Human Services, Centers for Disease Control

**Description:** On February 6, 1989, the Board of Supervisors approved DPH's \$8,589,345 AIDS Prevention and Surveillance Project for 1989 (File 146-89-2) and placed \$2,793,364 of these funds for contractual services on reserve pending selection of the proposed contractors.

Subsequent to Board of Supervisors approval of the \$8,589,345 grant application, the Centers for Disease Control and DPH negotiated an actual grant amount of \$5,429,625. Therefore, the amount budgeted for contractual services had to be reduced to \$2,156,356. At that time DPH identified sole source provider contracts totalling \$1,661,272 leaving a balance of \$495,084 on reserve for contracts yet to be selected through bidding processes. The Board of Supervisors released \$95,084 of the reserved funds in May, 1989, (File 146-89-2.1).

The DPH has now selected four contractors to perform Knowledge, Attitudes, Behavior and Beliefs (KABB) surveys among various target populations. These four contractors were selected by competitive bid based on their experience and access to the target populations to be surveyed. The objectives of KABB surveys are as follows:

- Determine the overall level of AIDS awareness, concern and knowledge.
- Determine the prevalence of risk (of contacting AIDS) behaviors.
- Determine the attitudes about AIDS, AIDS prevention and risk reduction measures.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
 August 28, 1989 Governmental Operations Committee Meeting

- Determine what communication channels and messages should be used to reach the target population members with risk reduction measures.

The target populations, sample size, contract amount and bidders for contracts to conduct KABB surveys of four target populations are as follows (an asterick indicates the selected bidder):

<u>Bidder</u>	<u>MBE/WBE/LBE Status</u>	
<u>Filipino Community (300 sample)</u>		\$75,000
*Asian American Health Forum	-	
Asian American Recovery Service	-	
Mindseed Corporation	MBE/WBE	
<u>Tenderloin Southeast Asian Community (300 sample)</u>		75,000
*Center for Southeast Asian Refugee Resettlement	-	
<u>Gay Male Population (500 sample)</u>		95,000
*Fairbank, Bregman, Mullin	-	
Polaris Corporation	MBE/LBE	
E.H. White	MBE/LBE	
<u>Minority Gay Male Population (200 sample)</u>		50,000
*San Francisco AIDS Foundation	-	
Total		<hr/> \$295,000

**Recommendation:** Release reserved funds in the amount of \$295,000.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 8 - File 62-89-8

**Department:** San Francisco International Airport

**Item:** Ordinance approving an increase in space for the International Terminal principal concession lease for retail merchandising sales between Duty Free Shoppers, Ltd., and the City and County of San Francisco, acting by and through its Airports Commission.

**Description:** The proposed ordinance would approve an amendment to an existing lease with Duty Free Shoppers, Ltd. that would increase the existing premises occupied by Duty Free Shoppers. Duty Free Shoppers currently occupies 8,385 square feet of retail space in the Airport's International Terminal. The proposed amendment to the lease would increase the retail space by 380 square feet to a total of 8,765 square feet.

The Airports Commission reports that because the existing lease gives Duty Free Shoppers exclusive rights to retail sales in the International Terminal, the Airport cannot lease out the 380 square feet as a separate retail concession space. Therefore, the space is being added to the existing lease with Duty Free Shoppers.

Duty Free Shoppers has submitted plans for the space to the Airport and will renovate and develop the retail space at its own expense. The space will be occupied and subleased from Duty Free Shoppers to Heller-Robert's Cable Car, a redwood crafts and flower shop, and a Womens Business Enterprise (WBE).

**Comments:** 1. The proposed change in the lease with Duty Free Shoppers does not include a corresponding increase in rental fees for the space. The Airport reports that rental fees are charged according to a percentage of total gross revenues and not according to floor space. Duty Free Shoppers currently pays 20 percent of its total gross revenues to the Airport. Under the present lease, the Airport estimates that Duty Free Shoppers pays the Airport \$2.1 million in annual rental fees. With the proposed amendment, the Airport estimates that such annual rental fees will increase by approximately \$375,000.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





2. The Airport also reports that it requires lessees to sublease 15 percent of the leased retail space to Minority and Womens Business Enterprises (MBE and WBE). Duty Free Shoppers currently subleases 15 percent of its space in the International Terminal to MBEs and WBEs. All MBE and WBE subleases are subject to Airport approval.

**Recommendation:** Approve the proposed ordinance.



Item 9 - File 82-89-8

**Department:** Real Estate Department

**Proposed Action:** Ordinance to approve the granting of two easements from the City and County of San Francisco to CALTRANS.

**Location:** The proposed subsurface easements are adjacent to North Access Road, San Bruno Channel Bridge; this location is adjacent to the San Francisco International Airport.

**Description:** The proposed easements are for the installation by CALTRANS of two drainage pipes running under Highway 380, which will allow excess water runoff to be directed into San Bruno Channel. The proposed easements are 20 feet wide by 30 feet long (600 square feet), and 20 feet wide by 45 feet long (900 square feet), respectively.

Mr. Phil Aissen of the Real Estate Department states that the proposed easements are subsurface easements which will not interfere with the City's use of the property. They consist of corrugated metal drainage pipes which will require virtually no maintenance, but will, in any event, be maintained by CALTRANS.

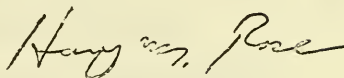
**Comment:** Mr Aissen states that the Real Estate Department has determined that the subject easements have essentially no value. As such, CALTRANS has agreed to pay the City \$2,500 which represents payment for the administrative costs of the transfer. Mr. Aissen reports that this is a fair value for the easements.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
August 28, 1989 Governmental Operations Committee Meeting

**Recommendation:** Approve the proposed ordinance.



Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey



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Action Table

DOCUMENTS DEPT.

AUG 30 1989

SAN FRANCISCO  
PUBLIC LIBRARY

CALENDAR  
MEETING OF  
GOVERNMENTAL OPERATIONS COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, AUGUST 28, 1989 - 10:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

CLERK: GAIL JOHNSON

1. File 97-89-20. [Small Minority and Small Women Business Enterprises] DRAFT ordinance amending the Administrative Code by adding Chapter 12G, relating to the award of subcontracts by City and County prime construction contractors to small minority and small women business enterprises. (Supervisors Kennedy, Ward, Maher)

(Continued from 8/21/89)

ACTION: Continued to September 5, 1989 meeting.

2. File 154-89-1. Hearing to consider a resolution authorizing an actuarial study to be performed on the costs of amending the existing contract with the Board of Administration of the Public Employees' Retirement System of the State of California to allow certain Airport Police, Housing Authority Police and Institutional Police Employees "2 percent at 50" benefits rather than "2 percent at 55" benefits. (Supervisor Nelder)

(Continued from 8/21/89)

ACTION: Continued to November 13, 1989 meeting.

3. File 12-89-31. [State Legislation] Resolution supporting AB 350, which requires employers of five or more employees to offer basic health insurance to their employees. (Supervisor Britt)

ACTION: Continued to October 30, 1989 meeting.

4. File 146-89-50. [Grant - State Funds] Resolution authorizing the Department of Public Health, Emergency Medical Services Agency, to apply for, accept and expend a grant of \$53,035 from the State Emergency Medical Services Authority for a research study of medical dispatch accuracy in San Francisco. (Mayor)

ACTION: Recommended.

5. File 146-89-51. [Grant - Federal Funds] Resolution authorizing the Department of Public Health, Community Public Health Services, Sexually Transmitted Disease Control, to apply for, accept and expend a grant of \$316,235 from the Centers for Disease Control for the operation of the San Francisco Sexually Transmitted Disease Prevention and Training Center. (Mayor)

ACTION: Recommended.





6. File 146-89-2.2. [Release of Funds] Requesting release of reserved funds, Department of Public Health, in an amount totaling \$295,000, for four contractors to perform "Knowledge, Attitudes, Beliefs, Behaviors" surveys (Asian American Health Forum to target the Filipino population, \$75,000; Center for Southeast Asian Refugee Resettlement to target the Southeast Asian population, \$75,000; San Francisco AIDS Foundation to target the gay male population, \$95,000; and Fairbank, Bregman, Mullin to target the ethnic/racial minority gay male population, \$50,000). (Department of Public Health)

ACTION: Hearing held. Release of \$295,000 recommended. Filed. Title of File amended by replacing the name "Mullin" with "Maullin".

7. File 35-89-1. [Street Map Approval] Resolution approving map showing the opening of Jerrold Avenue and Donahue Street east of Earl Street; declaring Jerrold Avenue and Donahue Street to be open public streets dedicated to public use; and making findings pursuant to City Planning Code Section 101.1. (Department of Public Works)

ACTION: Recommended.

8. File 62-89-8. [Airport - Concession Lease] Ordinance approving an increase in premises for the International Terminal Principal Concession Lease for retail merchandising sales between Duty Free Shoppers, Ltd., and the City and County of San Francisco, acting by and through its Airports Commission. (Airports Commission)

ACTION: Recommended.

9. File 82-89-8. [Sale, Drainage Easement Parcels] Ordinance approving grant of drainage easement Parcels 48848-1 and 48848-2, adjacent to North Access Road, San Bruno Channel Bridge, from the City and County of San Francisco to the State of California, Department of Transportation. (Real Estate Department)

ACTION: Recommended.



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SEP 6 1989

SAN FRANCISCO  
PUBLIC LIBRARY

CALENDAR  
RESCHEDULED MEETING OF  
GOVERNMENTAL OPERATIONS COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

TUESDAY, SEPTEMBER 5, 1989 - 8:30 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

CLERK: GAIL JOHNSON

1. File 97-89-20. [Small Minority and Small Women Business Enterprises] DRAFT ordinance amending the Administrative Code by adding Chapter 12G, relating to the award of subcontracts by City and County prime construction contractors to small minority and small women business enterprises. (Supervisors Kennedy, Ward, Maher)

(Continued from 8/28/89)

ACTION: Hearing held. Continued to September 11, 1989 meeting.

2. File 34-89-6. [Regulating Width of Sidewalk] Ordinance amending Ordinance No. 1061 entitled "Regulating the Width of Sidewalk" by adding thereto Section 1498 changing the official width of sidewalk on the east side of Third Street, south of Evans Avenue; and making findings pursuant to City Planning Code Section 101.1. (Department of Public Works)

ACTION: Recommended.

3. File 34-89-7. [Regulating Width of Sidewalk] Ordinance amending Ordinance No. 1061 entitled "Regulating the Width of Sidewalk" by adding thereto Section 1497 changing the official width of sidewalk on Market Street, between Fremont and Twelfth Streets; and making findings pursuant to City Planning Code Section 101.1. (Department of Public Works).

ACTION: Recommended.

4. File 40-89-8. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "J" in the Parnassus Heights area and adding Parnassus Avenue, between Stanyan and Shrader Streets; Shrader Street, between Carl Street and Parnassus Avenue; and Stanyan Street, between Frederick Street and Parnassus Avenue to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Hearing held. Continued to September 11, 1989 meeting.



5. File 40-89-9. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "S" in the Duboce Triangle area and adding Twentieth Street, between Diamond and Douglass Streets; Roosevelt Way, between Loma Vista Terrace and Lower Terrace; Corbett Avenue, between Ord and Mars Streets; and Hattie Street, between Market Street and Corbett Avenue to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Amended on page 4, line 15, by replacing "7:00 p.m." with "5:00 p.m.". Recommended as amended.

6. File 94-89-4. [Grant - Federal Funds] Resolution authorizing the Public Utilities Commission to apply for, accept and expend \$26,778,980 of UMTA Section 9 Formula Assistance and \$4,700,425 from State Transit Capital Improvement funds or regional local match funds such as State Transit Assistance funds, Bridge Toll Net Revenues, Gas Tax Revenues, Hetch Hetchy funds, Transit Impact Development Fee Revenues, or the San Francisco Municipal Railway Improvement Corporation for eight Municipal Railway projects and 1989-90 Municipal Railway Operating Assistance. (Public Utilities Commission)

ACTION: Recommended. (TO BOARD AS A COMMITTEE REPORT FOR CONSIDERATION ON SEPTEMBER 5, 1989.)

7. File 124-89-17. [Access Roads - Candlestick Park] Ordinance amending Traffic Code, by amending Section 32.4, regarding access to Candlestick Park, by altering the access road system established for events at Candlestick Park. (Department of Public Works)

ACTION: Hearing held. Continued to September 25, 1989 meeting.



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CITY AND COUNTY



Public library, Document Dept.  
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OF SAN FRANCISCO

## BOARD OF SUPERVISORS

BUDGET ANALYST

Recommendations

1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 7, 1989

DOCUMENTS DEPT.

TO: Governmental Operations Committee

SEP 12 1989

FROM: Budget Analyst

SAN FRANCISCO  
PUBLIC LIBRARY

SUBJECT: September 11, 1989 Governmental Operations Committee Meeting

Item 1d -File 143-89-6

Department: Police Department

Item: Resolution authorizing the Chief of Police to apply for, accept and expend a continuation State grant.

Amount: \$105,000

Source of Funds: State Office of Criminal Justice Planning (OCJP)

Grant Period: July 1, 1989 through June 30, 1990.

Project: Gang Violence Suppression Program

Project Description: This would be the fourth year of funding for the Gang Violence Suppression Program. Project funds are allocated to the Police Department's Gang Task Force Unit's activities. The program objectives, as described in the grant proposal, are as follows:

1. Identify, arrest and have prosecuted these crack cocaine gang leaders for violent crimes, such as homicides, assaults and drive-by shootings.
2. Identify, arrest and have prosecuted gangs and their leaders for organized robberies, extortions, homicides and assaults.





Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

3. Through investigation, intelligence gathering and arrest increase the number of gang leaders and members arrested and referred to the District Attorney for prosecution.
4. Attend community meetings to educate the public in dealing with gangs and gang violence and its prevention. Solicit the aid of the community in identifying gang members within their community.

**Project Budget:**

<u>Personnel</u>		
Data Clerk (1 FTE)	\$14,256	
Overtime Pay		
Lieutenant (144 hours)	5,881	
Inspectors (1,148 hours)	41,099	
Officers (1,640 hours)	<u>50,834</u>	
Subtotal - Personnel		\$112,070
<u>Operating Expenses</u>		
Travel	\$5,049	
Training	4,956	
Computer programming and repair	825	
Cellular telephone service	2,000	
Cellular mobile telephone installation	285	
Wireless microphone	150	
Misc. small equipment items	<u>839</u>	
Subtotal - Operating Expenses		14,104
<u>Equipment</u>		
Video Camera	\$2,130	
Laser Printer	1,863	
Computer Modem	<u>1,433</u>	
Subtotal - Equipment		5,426
<u>Audit</u>		1,400
<u>Indirect Costs</u>		<u>7,000</u>
Total		\$140,000

**Local Match:**

\$35,000 included in the Police Department's 1989-90 operating budget.

**Comments:**

1. The Police Department currently has 17 Officers and Inspectors assigned to the Gang Task Force Unit on a full-time basis. The proposed grant funds would provide for overtime pay to these members, in addition to other program costs as outlined above.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



2. The proposed grant amount of \$105,000 for Fiscal Year 1989-90 is a 6.3% decrease from the \$112,000 grant funds received by the Police Department for 1988-89.

3. Sgt. Leon Crouere of the San Francisco Police Department states that the planned acquisition of computer equipment has been approved by the Electronic Information Processing Steering Committee (EIPSC).

**Recommendation:** Approve the proposed resolution.



Item 5 - File 134-89-3

**Department:** Department of City Planning

**Item:** Resolution authorizing the Director of Planning to extend a State grant.

**Grant Amount:** \$399,033

**Source of Grant:** State of California, Secretary of Governmental Affairs

**Period of Grant:** June 15, 1987, through October 31, 1989

**Project:** Coastal County Offshore Energy Assistance Program

**Project Description:** The proposed resolution would extend the current contract between the City and the State for the Coastal County Offshore Energy Assistance Program for an additional 17 months, from October 31, 1989 to March 31, 1991. A State grant of \$399,033 was previously approved for the City Planning Department by the Board of Supervisors in November, 1986. The program was developed in response to the U. S Department of Interior's (DOI) plans to lease sale offshore oil tracts (lease rights to drill oil) on the Outer Continental Shelf (OCS) off the California Coast. The State grant provides funding for the following program areas related to offshore energy development:

- air quality monitoring and modeling
- public information and education
- oil spill contingency planning
- socioeconomic and environmental studies on the biological environment and on commercial/recreational fishing
- technical assistance in reviewing official plans and environmental studies
- assessment of alternatives to transport offshore oil
- regional analysis and data management
- participation in the adoption of water quality permit standards and land use studies

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



The Department of City Planning has submitted a request to the State to extend the contract period an additional 17 months in order to complete studies and analyses in the various program areas outlined above. Ms. Martha Kessler of the Department of City Planning reports that program expenditures from June 15, 1987, to August 31, 1989, total \$345,224 of the total grant amount of \$399,033. According to Mr. Paul Maltzer of City Planning, the remaining \$53,809 in unexpended grant funds is sufficient to cover program expenditures through March 31, 1991. According to Mr. Maltzer, five other counties participating in the Coastal County Offshore Energy Assistance project also contribute to the funding of the studies.

**Budget:** The previously approved budget components of the Coastal County Offshore Energy Assistance Program, which are described in the attachment, are as follows:

<u>Work Element</u>	<u>Budget</u>
Air Quality Monitoring & Modeling Program	\$150,000
Public Information/Education Program	50,000
Oil Spill Contingency Planning	20,000
Environmental/Fisheries Studies	40,000
Technical Assistance in Reviewing Official Plans	35,000
Transportation Alternatives for OCS Products	20,000
Regional Analysis & Data Management	24,000
Water Quality Permit Standards	10,000
Local Planning/Land Use Studies	<u>50,000</u>
Total	\$399,000*

\*Rounded; grant amount is \$399,033.

**Indirect Costs:** \$39,900, which is 10 percent of the grant amount.

**Required Match:** None

**Comment:** This proposed legislation would not result in any additional cost to the City and, as noted above, would simply extend the grant period from October 31, 1989 through March 31, 1991.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Coastal County Offshore Energy Assistance Program

Air Quality Monitoring and Modeling Program

Controversy exists over the State vs. Federal air quality standards regulating Outer Continental Shelf (OCS) development. California standards are more stringent. Both parties have agreed to participate in a negotiated "rule making" to set air quality standards to apply to offshore oil activities. Local governments will need data to provide input to the rule making process. The objectives of this program are:

1. To compile baseline air quality and meteorological data and develop appropriate modeling for assessing OCS development impacts.
2. To develop strategies for permitting and mitigation measures to ensure minimal impacts to air quality of local communities.
3. Monitoring and modeling to be completed in time to use the data in negotiated rule making process.

Proposed Budget

Consulting Services	\$135,000
Indirect Expenses	15,000
Total	<u>\$150,000</u>

Public Information/Education Program

The objective of this program is to provide local agencies, institutions and residents with information to ensure broad-based participation and decision-making in the areas of planning, assessment, permitting and mitigation related to offshore oil development. This will be accomplished by:

1. Preparing and distributing information and updates on the status of the lease process and related information.
2. Providing public liaison on daily basis.
3. Preparing and distributing a handbook for local officials and citizens groups and providing a guide to the OCS planning and leasing process.

Proposed Budget

Salaries	\$25,000
Consulting Services	20,000
Indirect Expenses	5,000
Total	<u>\$50,000</u>



### Oil Spill Contingency Planning

The objectives of this program are:

1. Determine the probability and magnitude of oil spills during exploration, development and transportation.
2. Determine the fate of oil spills.
3. Identify coastal habitats which may be sensitive to oil spills.
4. Determine effectiveness of available clean-up equipment and personnel.
5. Establish mitigation measures.
6. Improve education and communication between groups and counties involved in clean up activities.

#### Proposed Budget

Consulting Services	\$18,000
Indirect Expenses	2,000
Total	<u>\$20,000</u>

### Socioeconomic and Environmental Studies on the Biological Environment and on Commercial/Recreational Fishing

The objectives of this program are to:

1. Provide analysis of local coastal county biological environments to determine OCS impact and to provide an adequate data base upon which to value biological resources.
2. Analyze existing and potential contributions of the commercial and recreational fishing and boating industries to San Francisco's economy and determine the potential impacts of OCS development on these industries.

#### Proposed Budget

Salaries	\$10,000
Consulting Services	25,000
Travel and Supplies	1,000
Indirect Expenses	4,000
Total	<u>\$40,000</u>



Technical Assistance in Reviewing Official Plans and Environmental Studies

The objective of this program element is to ensure the preparation of effective accurate comments on public documents prepared on OCS lease activities. This will include retaining appropriate legal and technical consultants as needed to review and comment on the DOI's five-year leasing program.

Proposed Budget

Consulting Services	\$31,500
Indirect Expenses	3,500
Total	<u>\$35,000</u>

Transportation Alternatives for OCS Products

The objective of this program is to determine the relative risks and benefits of various means of transporting offshore oil to local refineries. This will include assessing production levels and destinations from offshore oil platforms for pipeline alignments and tankers or barges and to recommend mitigation measures or alternatives to reduce effects.

Proposed Budget

Consulting Services	\$18,000
Indirect Expenses	2,000
Total	<u>\$20,000</u>

Regional Analysis and Data Management

Central California counties perceive OCS development as having regional impact. Therefore the counties have pooled the resources from the grant to establish more effective and feasible planning, permitting and mitigation strategies.

The objective of this aspect of the proposal is to provide interagency and intercounty communication and coordination on OCS activities and to establish an information base on OCS literature.

Proposed Budget

Salaries	\$9,400
Consulting Services	9,600
Travel and Supplies	2,600
Indirect Expense	2,400
Total	<u>\$24,000</u>



### Water Quality Permit Standards

The intent of this element of the proposal is to participate in the adoption of the final standards and guidelines for the Environmental Protection Agency (EPA) National Pollution Discharge Elimination Systems (NPDES) permits for OCS oil development activities. This will be accomplished by consultation with appropriate legal and technical experts.

#### Proposed Budget

Consulting Services	\$9,000
Indirect Expenses	<u>1,000</u>
Total	\$10,000

### Local Planning/Land Use Studies

This element of the proposal addresses issues related to onshore facilities required by offshore oil development. The objectives are to:

1. Provide City staff time to conduct land use studies to determine the requirements of a supply base to meet OCS development needs and to identify environmental, social, land use and possible economic effects. A supply base includes land needed, wastewater treatment, solid waste disposal, etc.

2. Provide coordination for technical studies.

#### Proposed Budget

Salaries	\$43,000
Travel and Supplies	<u>2,000</u>
Indirect Expense	<u>5,000</u>
Total	\$50,000

### Proposed Budget Summary

Salaries	\$87,400
Consulting Services	266,100
Travel and Supplies	<u>5,600</u>
Indirect Expense	<u>39,900</u>
Total	\$399,000





Item 6 - File 146-89-53

**Department:** Department of Public Health (DPH), Central Administration

**Item:** Resolution authorizing DPH to accept and expend State funds.

**Amount:** \$219,262

**Source of Funds:** State of California Department of Health Services

**Grant Period:** July 1, 1989 to June 30, 1990.

**Project:** Special Needs and Priorities (SNAP) Program.

**Description:** The proposed grant would provide funds from the State of California for capital improvements for distressed county facilities (facilities in need of capital improvements), computerization of county information, county-clinic cooperation, refugee health services, elderly care and for medical information.

SNAP funds are unclaimed monies in the State of California's County Health Services Fund. The Director of the State Department of Health Services may reallocate these unclaimed monies to local jurisdictions pursuant to Section 16707 of the Welfare and Institutions Code.

The Board of Supervisors, by resolution, has previously authorized the DPH to apply for \$219,262 from the State Department of Health Services for the SNAP Program for FY 1989-90, and reserved \$11,725 for the purchase of computer equipment for Categories II and III pending approval by the City's Electronic Information Processing Committee (EIPSC) (File 146-89-25). The DPH has been notified that the actual amount of the award would be \$142,449. According to the DPH, the grant budget and local match have been revised as follows:

Category I: Distressed County Facilities

	<u>Original Request</u>	<u>Revised Budget</u>
SNAP Funds requested	\$60,000	\$25,000
Local match	<u>9,100</u>	<u>0</u>
Subtotal	\$69,100	\$25,000

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Tom Waddell Clinic renovation. Proposal would convert existing floor space into examination rooms to provide care to homeless, low income individuals and families, and to individuals at risk of contracting AIDS.

Category II: Computerization of County Information

	<u>Original Request</u>	<u>Revised Budget</u>
SNAP Funds requested	\$ 8,135	\$ 8,135
Local match	<u>12,480</u>	<u>20,574</u>
Subtotal	\$20,615	\$28,709

Tom Waddell Clinic computer database. Proposal would establish a patient database system that includes patient registration, storage and upkeep of medical records, tracking and reporting of vital statistics and program evaluation.

Category III: County Clinic Cooperation

	<u>Original Request</u>	<u>Revised Budget</u>
SNAP Funds requested	\$31,145	\$30,303
Local match	<u>54,098</u>	<u>54,098</u>
Subtotal	\$85,243	\$84,401

Communicable Disease Office. Proposal would establish a computerized hepatitis B tracking program targeting infants at risk and ensuring transfer of information between community clinics and the county hospital.

Category IV: Refugee Health Services

	<u>Original Request</u>	<u>Revised Budget</u>
SNAP Funds requested	\$50,000	\$33,011
Local match	<u>54,340</u>	<u>44,240</u>
Subtotal	\$104,340	\$77,251

Health Center 4 hepatitis screening project. Proposal would expand the hepatitis B screening project that focuses upon pregnant refugee women, newborns, and all household contacts, and would include the provision of vaccinations to refugee women of child bearing age.



Category V: Elderly Care

	<u>Original Request</u>	<u>Revised Budget</u>
SNAP Funds requested	\$69,982	\$46,000
Local match	<u>72,850</u>	<u>48,460</u>
Subtotal	\$142,832	\$94,460

Laguna Honda Hospital hospice care unit. Proposal would provide an emergency level of care to chronically ill patients not normally treatable in non-institutional settings. Funds would also provide for a citywide interagency referral system.

Category VI: Medical Information.

Note: No proposals were accepted in this category.

	<u>Original Request</u>	<u>Revised Budget</u>
Total SNAP Funds	\$219,262	\$142,449
Total County matching funds	\$202,868	\$167,372

**Required Match:** The State requires a minimum one for one dollar match except for the distressed county facility category, for which the match has been waived. All matching funds are included in the DPH FY 1989-90 budget.

**Indirect Costs:** None - The State specifically excludes indirect costs.

**Comment:** The EIPSC has recommended approval of the proposed purchase of computer equipment for Categories II and III.

**Recommendation:** Approve the proposed resolution.



Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

Item 7 - File 147-89-3

**Department:** San Francisco Public Library

**Item:** Resolution to apply for, accept, and expend a new Federal grant.

**Grant Amount:** Not to exceed \$210,000

**Source of Funds:** Federal Library Services and Construction Act Funds, through the California State Library

**Grant Period:** July 1, 1989 through June 30, 1990

**Project:** Recent Immigrant Services (Mission Neighborhood Libraries)

**Description:** The proposed grant is designed to develop, adapt and expand existing Library Services to reach recent Latino, Chinese and Southeast Asian immigrants living in the Mission District. The Library will develop an outreach program for these recent immigrants, to expand its Spanish language materials and build a core collection of Chinese and Vietnamese materials.

**Grant Budget:**

<u>Personnel Costs</u>	
1 Librarian I	\$33,200
1 Library Assistant	26,600
1 Library Technician (Half Time)	15,000
Mandatory Fringe Benefits	<u>20,200</u>
Subtotal	\$95,000
<u>Library Materials</u>	38,500
(Consisting of books, videos, cassettes/compact discs, software and periodicals.)	
<u>Operating Costs</u>	
Contract Services	11,200
Printing	2,500
Office supplies	1,000
Postage	500
Telephone	600
General publicity	12,000
Bookbinding	<u>5,000</u>
Subtotal	\$32,800

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

<u>Equipment</u>	
Storage boxes	\$ 3,000
Shelving	10,000
Computers (2)	14,000
Computer printers (2)	2,000
Computer stands	900
Typewriters	<u>1,500</u>
Subtotal	\$31,400
 <u>Indirect Costs</u>	 <u>9,900</u>
 TOTAL	 \$207,600

**Local Match:** In kind match of \$137,000 included in the Library's 1989-90 Budget.

**Comments:** 1. Ms. Rebecca McDuff of the Library states that the proposed acquisition of computer equipment has not been reviewed or approved by the Electronic Information Processing Steering Committee (EIPSC).

2. Although the proposed resolution refers to a grant not to exceed \$210,000, Ms. Karen Cox of the San Francisco Library indicates that the figure of \$135,000 also was inadvertently placed in the resolved clause of the resolution, and that the Library Commission in fact authorized the City Librarian to apply for, accept and expend funds not to exceed \$210,000.

**Recommendations:** 1. Amend the resolved clause of the proposed resolution by deleting \$135,000 and substituting \$210,000.

2. Amend the proposed resolution to reserve \$16,000 for the proposed acquisition of computer equipment pending EIPSC approval.

3. Approve the proposed resolution as amended.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Item 8 - File 156-89-2

**Agency:** Private Industry Council (PIC)

**Item:** Resolution authorizing acceptance and expenditure of Federal grant funds.

**Amount:** \$276,000

**Local Match:** None

**Source of Grant:** Federal Office of Refugee Resettlement through the State Department of Social Services

**Grant Period:** October 1, 1989 through September 30, 1990

**Project:** Refugee Targeted Assistance Program

**Description:** The proposed resolution would provide \$276,000 in funding to seven contractors to provide services to refugees for the period from October 1, 1989 to September 30, 1990 (although the grant period is twelve months, the limited Federal grant funding will only provide for three months of refugee services).

The Private Industry Council administers three sets of refugee funds on behalf of the City and County of San Francisco. The Refugee Employment Social Services funds and the Refugee Targeted Assistance Program funds are used to provide employment and training services to refugees who are receiving public assistance. The Mutual Assistance Association Incentive funds are used to provide social adjustment and acculturation services to refugees including those who are not receiving public assistance.

The State Department of Social Services has allocated \$424,152 to the City for 1989-90. The Board of Supervisors approved the acceptance and expenditure (File 156-89-1) of up to \$80,000 of the 1989-90 allocation as an advance to allow the continuation of refugee services from July 1 through September 30, 1989. Only \$63,321 was actually spent of the \$80,000 previously authorized.

PIC initially expected an allocation of approximately \$986,000 for 1989-90 and issued a Request for Proposals (RFP) in July, 1989. Twelve proposals were received and evaluated in August, 1989. Seven contractor providers were selected to be funded. The PIC Refugee Committee proposes spending the \$424,152 grant funds in accordance with the 1989-90 county

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

expenditure plan between October 1, and December 31, 1989,  
(three months) as follows:

Contractual Services

<u>Provider</u>	<u>Services Provided</u>	<u>Amount Requested</u>	<u>Refugee Committee Recommendation</u>
International Rescue Committee	Central Intake Point	\$154,504	\$44,160
Center for Southeast Asian Refugee Resettlement	Economic Development	80,000	0
Third Baptist Church	Employment Services	40,752	16,980
Catholic Charities/Refugee Employment Assistance Program	Employment Services & Vocational English as a Second Language	200,366	63,460
Refugee Women's Program/Mutual Assistance Association Council	Employment Services & Vocational Services as a Second Language	69,984	0
Jewish Vocational Services	On the Job Training	120,000	0
Vietnamese Youth Development Center	On the Job Training	15,000	6,000
Center for Southeast Asian Refugee Resettlement	On the Job Training & Vocational English as a Second Language	56,000	28,005
Career Resources Development Center	Vocational Training & Vocational English as a Second Language	186,336	0
Center for Southeast Asian Refugee Resettlement	Vocational Training & Vocational English as a Second Language	110,000	43,425
Jewish Vocational Services/Career Resources Development Center	Vocational Training & Vocational English as a Second Language	122,400	50,400

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

<u>Provider</u>	<u>Services Provided</u>	<u>Amount Requested</u>	<u>Refugee Committee Recommendation</u>
Korean Center, Inc.	Vocational Training & Vocational English as a Second Language	58,500	0
Other	Participant Support Svcs.		12,570
Other	On the Job Training Set Aside		11,000
Subtotal (subject of this request)		\$1,213,842	\$276,000
<u>State Administration Costs</u> (5%)			21,208
<u>PIC Administration Costs</u> (15%)			63,623
<u>Advance Funding to Contractors</u> (Previously Expended)			<u>63,321</u>
Federal Grant Total			\$424,152

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Item 9 - File 10-89-8

- Department:** Department of Public Works (DPW)
- Item:** Resolution granting revocable permission to Stolte Incorporated to temporarily close and occupy the sidewalk and a portion of the lane of Townsend Street between 7th and 8th Streets during construction operations of the San Francisco Fashion Center.
- Description:** Stolte Incorporated previously obtained permission from DPW to temporarily close and occupy 14,850 square feet (27 feet width by 550 feet in length) of the sidewalk for a three month period (closings less than six months in duration do not require Board of Supervisors approval). Stolte Incorporated then obtained three, one-month renewals through September 6, 1989. Stolte Incorporated made a one time payment to the City of \$55,000 for the permit to close and occupy the 14,850 square feet.
- Stolte Incorporated is now applying for a six month permit to extend the current width of 27 feet by 5 feet to a total of 32 feet. The six month fee for the additional 2,750 square feet (5 feet in width by 550 feet in length) of space is \$13,750.
- The request for the additional 2,750 square feet of space has been reviewed by the Interdepartmental Staff Committee on Traffic and Transportation (ISCOTT) and there was no objection to granting the additional space. The DPW reports that the proposed closure and occupancy of the additional space will not interfere with the normal traffic flow on Townsend Street.
- Comments:**
1. The San Francisco Fashion Center now under construction is a new five story building containing a total of 750,000 square feet of space to be used for wholesale and retail sales of clothing.
  2. As noted above, the City received a one-time permit fee of \$55,000 (based on the total project construction cost) for the closure and occupancy of the 14,850 square feet portion of the sidewalk. The City will receive an additional \$13,750 (based on the amount of space) for a six-month permit for the additional 2,750 square feet.
- Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



- b. The weight of the testimony and other evidence before the Board indicates that nonminority construction contractors doing business with the City systematically exclude qualified SDBE/SWBE firms from subcontracting opportunities.
  - c. Race- and gender-neutral measures employed by the City since February 1989 have not prevented the City from being a passive participant in the systematic discrimination against SDBE/SWBE firms.
  - d. Unless the City takes positive steps to prevent discrimination against SDBE/SWBE firms by the City's prime contractors, the City will become a passive participant in the system of racial- and gender-based exclusion practiced by the City's prime construction contractors.
  - e. The City's SDBE/SWBE subcontracting program for construction contracts must be continued to prevent the City from once again becoming a passive participant in the systematic exclusion of SDBE/SWBE firms from subcontracting opportunities on City construction contracts.
4. The proposed ordinance contains the following provisions with respect to the policy, scope, definitions, powers and duties of the HRC and its Director, powers and duties of contract awarding authorities, SDBE/SWBE participation goals, monitoring and reporting, compliance, review and implementing instructions:
- a. Policy: The City will rely on the relationship between the percentages of SDBE/SWBE firms in the relevant business community sector and their respective shares of City subcontract dollars as a measure of the effectiveness of this proposed ordinance.
  - b. Scope: The ordinance would apply only to the award of subcontract dollars by the City's prime construction contractors.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



c. Definitions: Although the wording may be slightly different on a few of the definitions because of the emphasis on subcontracting as opposed to prime contracting, with the following exceptions, the definitions section is a subset of the definitions section of the MBE/WBE/LBE Ordinance II:

- (1) Back Contracting;
- (2) Economically Disadvantaged;
- (3) Small Minority Business Enterprise (SMBE);
- (4) Small Women Business Enterprise (SWBE);
- (5) Small Woman/Minority Man Business Enterprise (SW/MBE);
- (6) Subcontractor.

d. Powers and Duties: The Human Rights Commission would have the following powers and duties:

- (1) Data collection, analysis and reporting;
- (2) Levying sanctions;
- (3) Amending existing rules and regulations establishing standards and procedures for administering the ordinance.

e. The Director, Human Rights Commission, in addition to the duties and powers given elsewhere, would certify businesses as bona fide SMBE/SWBE firms and be responsible for providing information and assistance to SMBE/SWBE firms.

f. City Departments or Contract Awarding Authorities would have the following powers and duties:

- (1) Impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of the ordinance:
- (2) Not award any contract to a person or business who or which is disqualified from doing business with the City under the provisions of the ordinance.



g. All construction contracts would include the following requirements:

- (1) Require, where subcontracting is utilized, that the bidder demonstrate every "good faith effort" to subcontract with SDBE/SWBE firms;
- (2) Require a signed notarized statement declaring the intention to fully comply with the provisions of the Ordinance;
- (3) Incorporate the Ordinance by reference and provide that the failure of any bidder, contractor, or subcontractor to comply with any of its requirements shall be deemed a material breach of contract;
- (4) Incorporate liquidated damages provisions;
- (5) Specify the continuing responsibilities of prime contractors during the term of the contract with respect to fulfilling SDBE/SWBE participation commitments, good faith efforts to utilize SDBE/SWBE firms, urging subcontractors to utilize SDBE/SWBE firms, and maintaining records necessary for monitoring compliance with the provisions of the Ordinance.
- (6) Specify that whenever contract amendments are made which cumulatively increase the total dollar value of the contract by more than ten percent, the contractor shall comply with those SDBE and SWBE provisions of the Ordinance that applied to the original contract with respect to the amendment.
- (7) Prohibit "back contracting" to the prime contractor or higher tier subcontractor for any purpose inconsistent with the provisions of the Ordinance.





h. SMBE and SWBE participation goals:

(1) Contracts for construction, the estimated cost of which exceeds \$50,000, would be awarded in accordance with the following standards and procedures:

(a) The Director, HRC, would set the SMBE and SWBE participation goals based on the degree to which such goals would contribute to increasing the participation of SMBEs and SWBEs in City contracts, the level of participation of SMBEs and SWBEs in contracts awarded by other governmental agencies in San Francisco, and the availability of SMBEs and SWBEs that are capable of performing the services required.

(b) Bids and proposals shall identify the particular SMBE/SWBE firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the bid or proposal.

(c) During the term of the contract, any willful failure to comply with the levels of SMBE/SWBE participation identified in the bid or proposal shall be deemed a material breach of contract.

(d) A contracting awarding authority or a department may request the Director to waive the requirements with respect to this section, or to reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the Director prior to solicitation of bids or proposals. A contractor may request the contracting awarding authority or department to waive or reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the contract awarding authority at the time of the bid or proposal. The Director or the contract awarding authority, as the case may be, shall grant such a waiver or reduction of the SMBE/SWBE goal based on the nature of the work or availability of qualified SMBE/SWBE firms capable of performing the work.



i. Monitoring, Reporting, and Compliance: The requirements and responsibilities covering this subject are essentially the same as those in the MBE/WBE/LBE II Ordinance.

j. Review: The Commission shall review and report to the Board of Supervisors, the Chief Administrative Officer, and the Mayor annually on the extent of SMBE and SWBE participation in City prime construction contracts. If in the opinion of the Commission, the objectives of the Ordinance have been achieved in whole or in part, the Commission shall recommend to the Board of Supervisors that those sections be repealed. The Ordinance shall expire three years from its effective date unless extended by the City.

k. Implementing Regulations: The HRC shall, within 30 days of the enactment of this Ordinance, establish appropriate amendments to the rules, regulations, and procedures adopted and promulgated by the HRC pursuant to Ordinance 139-84. The public and affected agencies shall have the opportunity to provide input to and comment on the amendment to the regulations prior to their formal adoption. The rules and regulations shall provide for administrative procedures that allow a prime construction contractor to establish that the Ordinance's remedial measures should not be applied to the construction industry at the time that SMBE/SWBE participation in construction contracts has reached parity with the available number of SMBE/SWBE firms in the relevant business community and SMBE/SWBE firms no longer suffer from a competitive disadvantage in the construction industry.

**Comments:**

1. The proposed Ordinance is in a first draft form.

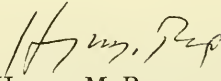
2 Findings one (point 3a.) and two (point 3b.), which are concerned with the degree of participation SMBE/SWBE firms have experienced in construction contracting in the City, as reflected in testimony before the Board of Supervisors, appear to be contradictory. Finding one states that evidence before the Board shows that SMBE/SWBE firms are awarded subcontract dollars that are comparable to the available numbers of SMBE/SWBE firms in the relevant market. Finding two states that evidence presented to the Board reflects that nonminority construction contractors competing for or doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities on City construction contracts.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

**Recommendation:** Approval of this proposed ordinance is a policy matter for the Board of Supervisors.

  
Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



SEP 12 1989

SAN FRANCISCO  
PUBLIC LIBRARY

2 Item 10 - File 97-89-20

**Note:** This item was continued by the Governmental Operations Committee at its meeting of September 5, 1989.

**Item:** Ordinance to amend the Administrative Code by adding Chapter 12G relating to the award of subcontracts by City prime construction contractors to small minority and small women business enterprises (SMBE/SWBE).

**Description:** 1. Based on the United States Supreme Court's decision in City of Richmond v. Croson, the City Attorney in February, 1989, advised departments and contracting awarding authorities to implement a race- and gender-neutral subcontracting program in place of the then existing race- and gender-conscious program, because the statistical basis for the latter had not been a part of the development of the original MBE/WBE/LBE Ordinance.

2. The Board of Supervisors adopted Ordinance No. 175-89, the MBE/WBE/LBE II Ordinance, on May 22, 1989. That Ordinance, which was subsequently signed into law, contains provisions limiting the application of race- and gender-conscious prime contracting remedies to narrowly defined contracting categories. Those contracting categories have been shown to have a statistically significant variance from the amount of contracting dollars that would be expected to go to minorities and women, based on the availability of such firms in particular contracting categories.

3. The proposed ordinance contains the following five findings with respect to the subcontracting practices of the City's prime contractors, based on oral and written testimony submitted in the MBE/WBE/LBE II Ordinance hearings, the 1983 and 1989 reports of the Human Rights Commission, the 1989 reports of the Budget Analyst, the 1989 report of BPA Economics, Inc., and relying upon the Board's knowledge about the City's compliance with the small minority and small women business contracting program:

a. The evidence before the Board reflecting that small minority and small women owned businesses are receiving City construction subcontracting dollars that are comparable to the availability of such businesses merely reflects that prime contractors competing for City construction contracts were complying with the City's SMBE/SWBE subcontracting program during FY 1987-88.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





- b. The weight of the testimony and other evidence before the Board indicates that nonminority construction contractors doing business with the City systematically exclude qualified SDBE/SDBE firms from subcontracting opportunities.
  - c. Race- and gender-neutral measures employed by the City since February 1989 have not prevented the City from being a passive participant in the systematic discrimination against SDBE/SDBE firms.
  - d. Unless the City takes positive steps to prevent discrimination against SDBE/SDBE firms by the City's prime contractors, the City will become a passive participant in the system of racial- and gender-based exclusion practiced by the City's prime construction contractors.
  - e. The City's SDBE/SDBE subcontracting program for construction contracts must be continued to prevent the City from once again becoming a passive participant in the systematic exclusion of SDBE/SDBE firms from subcontracting opportunities on City construction contracts.
4. The proposed ordinance contains the following provisions with respect to the policy, scope, definitions, powers and duties of the HRC and its Director, powers and duties of contract awarding authorities, SDBE/SDBE participation goals, monitoring and reporting, compliance, review and implementing instructions:
- a. Policy: The City will rely on the relationship between the percentages of SDBE/SDBE firms in the relevant business community sector and their respective shares of City subcontract dollars as a measure of the effectiveness of this proposed ordinance.
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d. Powers and Duties: The Human Rights Commission would have the following powers and duties:

- (1) Data collection, analysis and reporting;
- (2) Levying sanctions;
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e. The Director, Human Rights Commission, in addition to the duties and powers given elsewhere, would certify businesses as bona fide SMBE/SWBE firms and be responsible for providing information and assistance to SMBE/SWBE firms.

f. City Departments or Contract Awarding Authorities would have the following powers and duties:

- (1) Impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of the ordinance;
- (2) Not award any contract to a person or business who or which is disqualified from doing business with the City under the provisions of the ordinance.



g. All construction contracts would include the following requirements:

- (1) Require, where subcontracting is utilized, that the bidder demonstrate every "good faith effort" to subcontract with SMBE/SWBE firms;
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- (3) Incorporate the Ordinance by reference and provide that the failure of any bidder, contractor, or subcontractor to comply with any of its requirements shall be deemed a material breach of contract;
- (4) Incorporate liquidated damages provisions;
- (5) Specify the continuing responsibilities of prime contractors during the term of the contract with respect to fulfilling SMBE/SWBE participation commitments, good faith efforts to utilize SMBE/SWBE firms, urging subcontractors to utilize SMBE/SWBE firms, and maintaining records necessary for monitoring compliance with the provisions of the Ordinance.
- (6) Specify that whenever contract amendments are made which cumulatively increase the total dollar value of the contract by more than ten percent, the contractor shall comply with those SMBE and SWBE provisions of the Ordinance that applied to the original contract with respect to the amendment.
- (7) Prohibit "back contracting" to the prime contractor or higher tier subcontractor for any purpose inconsistent with the provisions of the Ordinance.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



h. SMBE and SWBE participation goals:

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(b) Bids and proposals shall identify the particular SMBE/SWBE firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the bid or proposal.

(c) During the term of the contract, any willful failure to comply with the levels of SMBE/SWBE participation identified in the bid or proposal shall be deemed a material breach of contract.

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i. Monitoring, Reporting, and Compliance: The requirements and responsibilities covering this subject are essentially the same as those in the MBE/WBE/LBE II Ordinance.

j. Review: The Commission shall review and report to the Board of Supervisors, the Chief Administrative Officer, and the Mayor annually on the extent of SMBE and SWBE participation in City prime construction contracts. If in the opinion of the Commission, the objectives of the Ordinance have been achieved in whole or in part, the Commission shall recommend to the Board of Supervisors that those sections be repealed. The Ordinance shall expire three years from its effective date unless extended by the City.

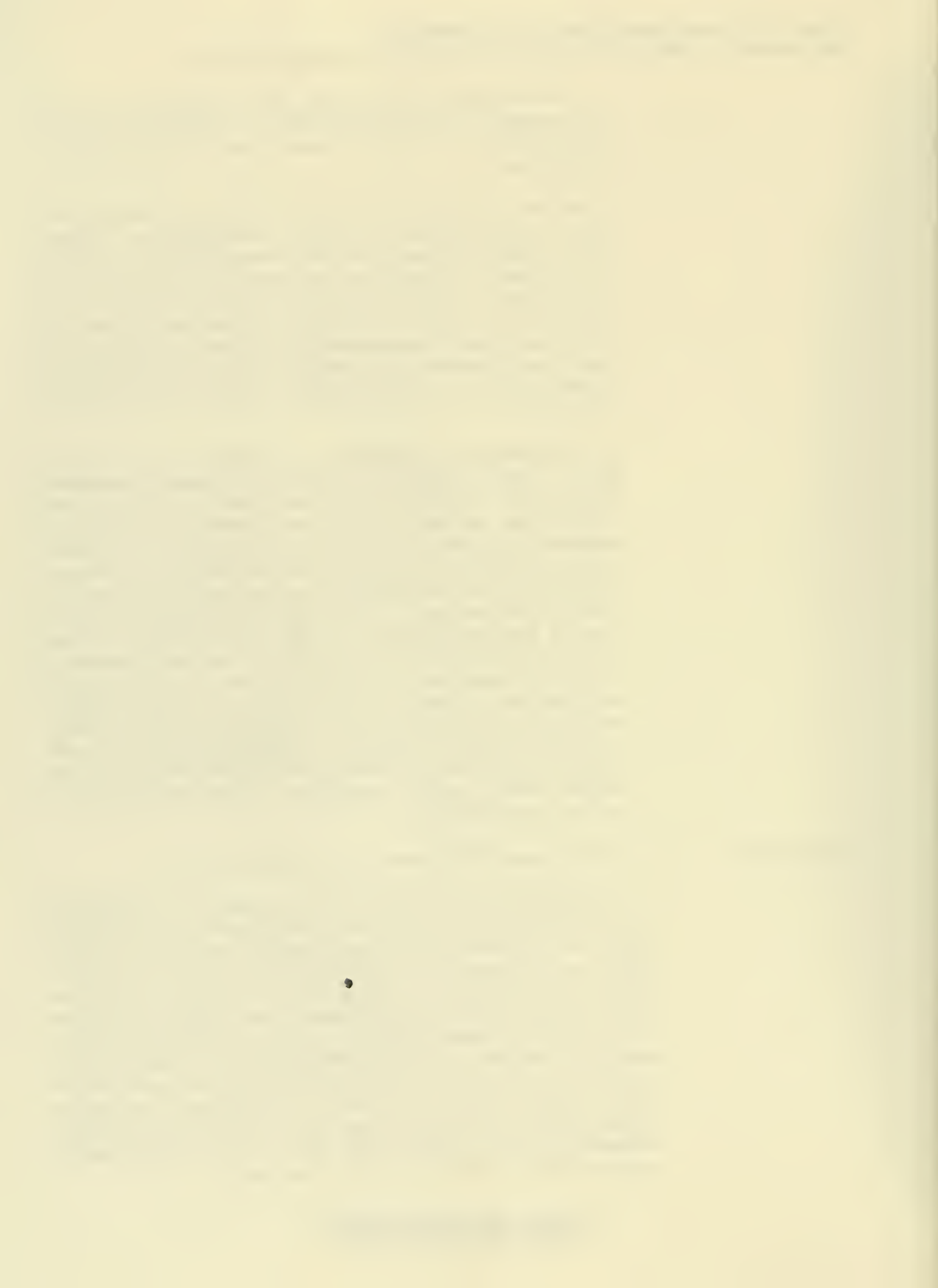
k. Implementing Regulations: The HRC shall, within 30 days of the enactment of this Ordinance, establish appropriate amendments to the rules, regulations, and procedures adopted and promulgated by the HRC pursuant to Ordinance 139-84. The public and affected agencies shall have the opportunity to provide input to and comment on the amendment to the regulations prior to their formal adoption. The rules and regulations shall provide for administrative procedures that allow a prime construction contractor to establish that the Ordinance's remedial measures should not be applied to the construction industry at the time that SMBE/SWBE participation in construction contracts has reached parity with the available number of SMBE/SWBE firms in the relevant business community and SMBE/SWBE firms no longer suffer from a competitive disadvantage in the construction industry.

**Comments:**

1. The proposed Ordinance is in a first draft form.

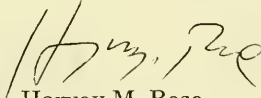
2 Findings one (point 3a.) and two (point 3b.), which are concerned with the degree of participation SMBE/SWBE firms have experienced in construction contracting in the City, as reflected in testimony before the Board of Supervisors, appear to be contradictory. Finding one states that evidence before the Board shows that SMBE/SWBE firms are awarded subcontract dollars that are comparable to the available numbers of SMBE/SWBE firms in the relevant market. Finding two states that evidence presented to the Board reflects that nonminority construction contractors competing for or doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities on City construction contracts.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 11, 1989 Governmental Operations Committee Meeting

**Recommendation:** Approval of this proposed ordinance is a policy matter for the Board of Supervisors.



Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



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Note: Meeting will  
begin at 9:00 a.m.  
instead of 10:00 a.m.

DOCUMENTS DEPT.

SEP 14 1989

SAN FRANCISCO  
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*Actions Taken*

C A L E N D A R  
MEETING OF  
GOVERNMENTAL OPERATIONS COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, SEPTEMBER 11, 1989 - 9:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

ABSENT: SUPERVISOR ALIOTO - ITEM 10

CLERK: GAIL JOHNSON

CONSENT CALENDAR

1. All matters listed hereunder constitute a Consent Calendar, are considered to be routine by the Governmental Operations Committee, and will be acted upon by a single roll call vote of the Committee. There will be no separate discussion of these items unless a member of the Committee or a member of the public so requests, in which event the matter shall be removed from the Consent Calendar and considered as a separate item:
  - (a) File 93-89-15. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the Union of American Physicians and Dentists. (Employee Relations Division)
  - (b) File 93-89-16. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with the San Francisco Building Inspectors Association. (Employee Relations Division)
  - (c) File 93-89-17. [Memorandum of Understanding] Resolution ratifying Memorandum of Understanding with Engineers & Scientists (MEBA) (AFL-CIO). (Employee Relations Division)
  - (d) File 143-89-6. [Grant - State Funds] Resolution authorizing the Chief of Police of the City and County of San Francisco to apply for, accept and expend grant funds in the amount of \$105,000 from the Office of Criminal Justice Planning for the Gang Violence Suppression Program and agreeing to provide cash match in the amount of \$35,000. (Police Commission)

ACTION: Recommended.



REGULAR CALENDAR

2. File 40-89-8. [Parking of Vehicles] Resolution extending the boundaries of Residential Permit Parking Area "J" in the Parnassus Heights area and adding Parnassus Avenue, between Stanyan and Shrader Streets; Shrader Street, between Carl Street and Parnassus Avenue; and Stanyan Street, between Frederick Street and Parnassus Avenue to the list of streets upon which time limitations shall apply. (Department of Public Works)

(Continued from 9/5/89)

ACTION: Recommended.

3. File 40-89-10. [Parking of Vehicles] Resolution extending boundaries of Residential Permit Parking Area "O" in the West Portal/Saint Francis area and adding Funston Avenue, between Taraval Street and the north terminus, to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Recommended.

4. File 40-89-11. [Parking of Vehicles] Resolution extending boundaries of Residential Permit Parking Area "P" in the Beideman/Anza Vista area and adding Golden Gate Avenue, between Broderick and Divisadero Streets, to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Hearing held. Continued to September 18, 1989 meeting.

5. File 134-89-3. [Grant - State Funds] Resolution authorizing the Director of Planning to extend the Coastal County Offshore Energy Assistance Program Block Grant with the State of California, Secretary of Environmental Affairs, from October 31, 1989 to March 31, 1991 and to request a transfer of funds within the program from one element to another. (Supervisor Alioto)

ACTION: Recommended.

6. File 146-89-53. [Grant - State Funds] Resolution authorizing the Department of Public Health, Central Administration, to accept and expend a grant of \$219,262 from the State Department of Health for various services funded under the Special Needs and Priorities (SNAP) Program. (Mayor)

ACTION: Recommended.

7. File 147-89-3. [Grant - Federal Funds] Resolution authorizing the City Librarian to apply for, accept and expend funds not to exceed \$210,000 available through the Library Services and Construction Act for Fiscal Year 1989-90 for improvement and expansion of library service to ethnic minorities at Mission Branch Library. (Public Library Commission)

ACTION: Amended on line 18, by replacing "\$135,000" with "\$210,000"; and by placing \$16,000 on reserve. Recommended as amended. Amended title: "Authorizing the City Librarian to apply for, accept and expend funds not to exceed \$210,000 available through the Library Services and Construction Act for Fiscal Year 1989-90 for improvement and expansion of library service to ethnic minorities at Mission Branch Library; placing \$16,000 on reserve."





8. File 156-89-2. [Federal Funding] Resolution approving the expenditure of Refugee funds and authorizing the President of the Private Industry Council of San Francisco, Inc., to sign, enter into, and execute the State contract. (Private Industry Council)

ACTION: Hearing held. Continued to September 18, 1989 meeting.

9. File 10-89-8. [Revocable Permission] Resolution granting revocable permission to Stolte Incorporated to temporarily occupy a portion of Townsend Street during construction operations at the San Francisco Fashion Center (Block 3783, Lots 5 and 6). (Department of Public Works)

ACTION: Recommended.

SPECIAL ORDER - 10:00 A.M.

10. File 97-89-20. [Small Minority and Small Women Business Enterprises] DRAFT ordinance amending the Administrative Code by adding Chapter 12G, relating to the award of subcontracts by City and County prime construction contractors to small minority and small women business enterprises. (Supervisors Kennedy, Ward, Maher)

(Continued from 9/5/89)

ACTION: Hearing held. Continued to September 18, 1989 meeting.



032  
/89  
CITY AND COUNTY



Public Library, Document Dept  
ATTN: Jerry Roth  
OF SAN FRANCISCO

DOCUMENTS DEPT.

## BOARD OF SUPERVISORS

SEP 19 1989

BUDGET ANALYST *Recommendation*

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September 14, 1989

TO: Governmental Operations Committee  
FROM: Budget Analyst  
SUBJECT: September 18, 1989 Governmental Operations Committee Meeting

### Item 1 - File 97-89-20

**Note:** This item was continued at the September 11, 1989, Governmental Operations Committee meeting.

**Item:** Ordinance to amend the Administrative Code by adding Chapter 12G relating to the award of subcontracts by City prime construction contractors to small minority and small women business enterprises (SMBE/SWBE).

**Description:** 1. Based on the United States Supreme Court's decision in City of Richmond v. Croson, the City Attorney in February, 1989, advised departments and contracting awarding authorities to implement a race- and gender-neutral subcontracting program in place of the then existing race- and gender-conscious program, because the statistical basis for the latter had not been a part of the development of the original MBE/WBE/LBE Ordinance.

2. The Board of Supervisors adopted Ordinance No. 175-89, the MBE/WBE/LBE II Ordinance, on May 22, 1989. That Ordinance, which was subsequently signed into law, contains provisions limiting the application of race- and gender-conscious prime contracting remedies to narrowly defined contracting categories. Those contracting categories have been shown to have a statistically significant variance



from the amount of contracting dollars that would be expected to go to minorities and women, based on the availability of such firms in particular contracting categories.

3. The proposed ordinance contains the following five findings with respect to the subcontracting practices of the City's prime contractors, based on oral and written testimony submitted in the MBE/WBE/LBE II Ordinance hearings, the 1983 and 1989 reports of the Human Rights Commission, the 1989 reports of the Budget Analyst, the 1989 report of BPA Economics, Inc., and relying upon the Board's knowledge about the City's compliance with the small minority and small women business contracting program:

a. The evidence before the Board reflecting that small minority and small women owned businesses are receiving City construction subcontracting dollars that are comparable to the availability of such businesses merely reflects that prime contractors competing for City construction contracts were complying with the City's SMBE/SWBE subcontracting program during FY 1987-88.

b. The weight of the testimony and other evidence before the Board indicates that nonminority construction contractors doing business with the City systematically exclude qualified SMBE/SWBE firms from subcontracting opportunities.

c. Race- and gender-neutral measures employed by the City since February 1989 have not prevented the City from being a passive participant in the systematic discrimination against SMBE/SWBE firms.

d. Unless the City takes positive steps to prevent discrimination against SMBE/SWBE firms by the City's prime contractors, the City will become a passive participant in the system of racial- and gender-based exclusion practiced by the City's prime construction contractors.

e. The City's SMBE/SWBE subcontracting program for construction contracts must be continued to prevent the City from once again becoming a passive participant in the systematic exclusion of SMBE/SWBE firms from subcontracting opportunities on City construction contracts.

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4. The proposed ordinance contains the following provisions with respect to the policy, scope, definitions, powers and duties of the HRC and its Director, powers and duties of contract awarding authorities, SMBE/SWBE participation goals, monitoring and reporting, compliance, review and implementing instructions:

a. Policy: The City will rely on the relationship between the percentages of SMBE/SWBE firms in the relevant business community sector and their respective shares of City subcontract dollars as a measure of the effectiveness of this proposed ordinance.

b. Scope: The ordinance would apply only to the award of subcontract dollars by the City's prime construction contractors.

c. Definitions: Although the wording may be slightly different on a few of the definitions because of the emphasis on subcontracting as opposed to prime contracting, with the following exceptions, the definitions section is a subset of the definitions section of the MBE/WBE/LBE Ordinance II:

- (1) Back Contracting;
- (2) Economically Disadvantaged;
- (3) Small Minority Business Enterprise (SMBE);
- (4) Small Women Business Enterprise (SWBE);
- (5) Small Woman/Minority Man Business Enterprise (SW/MBE);
- (6) Subcontractor.

d. Powers and Duties: The Human Rights Commission would have the following powers and duties:

- (1) Data collection, analysis and reporting;
- (2) Levying sanctions;
- (3) Amending existing rules and regulations establishing standards and procedures for administering the ordinance.

e. The Director, Human Rights Commission, in addition to the duties and powers given elsewhere, would certify businesses as bona fide SMBE/SWBE firms and be responsible for providing information and assistance to SMBE/SWBE firms.

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f. City Departments or Contract Awarding Authorities would have the following powers and duties:

- (1) Impose such sanctions or take such other actions as are designed to ensure compliance with the provisions of the ordinance:
- (2) Not award any contract to a person or business who or which is disqualified from doing business with the City under the provisions of the ordinance.

g. All construction contracts would include the following requirements:

- (1) Require, where subcontracting is utilized, that the bidder demonstrate every "good faith effort" to subcontract with SDBE/SWBE firms;
- (2) Require a signed notarized statement declaring the intention to fully comply with the provisions of the Ordinance;
- (3) Incorporate the Ordinance by reference and provide that the failure of any bidder, contractor, or subcontractor to comply with any of its requirements shall be deemed a material breach of contract;
- (4) Incorporate liquidated damages provisions;
- (5) Specify the continuing responsibilities of prime contractors during the term of the contract with respect to fulfilling SDBE/SWBE participation commitments, good faith efforts to utilize SDBE/SWBE firms, urging subcontractors to utilize SDBE/SWBE firms, and maintaining records necessary for monitoring compliance with the provisions of the Ordinance.
- (6) Specify that whenever contract amendments are made which cumulatively increase the total dollar value of the contract by more than ten percent, the contractor shall comply with those SDBE and SWBE provisions of the Ordinance that applied to the original contract with respect to the amendment.
- (7) Prohibit "back contracting" to the prime contractor or higher tier subcontractor for any purpose inconsistent with the provisions of the Ordinance.

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h. SMBE and SWBE participation goals:

(1) Contracts for construction, the estimated cost of which exceeds \$50,000, would be awarded in accordance with the following standards and procedures:

(a) The Director, HRC, would set the SMBE and SWBE participation goals based on the degree to which such goals would contribute to increasing the participation of SMBEs and SWBEs in City contracts, the level of participation of SMBEs and SWBEs in contracts awarded by other governmental agencies in San Francisco, and the availability of SMBEs and SWBEs that are capable of performing the services required.

(b) Bids and proposals shall identify the particular SMBE/SWBE firms to be utilized in performing the contract, specifying for each the dollar value of the participation, the type of work to be performed, and such information as may reasonably be required to determine the responsiveness of the bid or proposal.

(c) During the term of the contract, any willful failure to comply with the levels of SMBE/SWBE participation identified in the bid or proposal shall be deemed a material breach of contract.

(d) A contracting awarding authority or a department may request the Director to waive the requirements with respect to this section, or to reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the Director prior to solicitation of bids or proposals. A contractor may request the contracting awarding authority or department to waive or reduce the amount of the SMBE/SWBE goals by submitting the reasons therefore to the contract awarding authority at the time of the bid or proposal. The Director or the contract awarding authority, as the case may be, shall grant such a waiver or reduction of the SMBE/SWBE goal based on the nature of the work or availability of qualified SMBE/SWBE firms capable of performing the work.



i. Monitoring, Reporting, and Compliance: The requirements and responsibilities covering this subject are essentially the same as those in the MBE/WBE/LBE II Ordinance.

j. Review: The Commission shall review and report to the Board of Supervisors, the Chief Administrative Officer, and the Mayor annually on the extent of SMBE and SWBE participation in City prime construction contracts. If in the opinion of the Commission, the objectives of the Ordinance have been achieved in whole or in part, the Commission shall recommend to the Board of Supervisors that those sections be repealed. The Ordinance shall expire three years from its effective date unless extended by the City.

k. Implementing Regulations: The HRC shall, within 30 days of the enactment of this Ordinance, establish appropriate amendments to the rules, regulations, and procedures adopted and promulgated by the HRC pursuant to Ordinance 139-84. The public and affected agencies shall have the opportunity to provide input to and comment on the amendment to the regulations prior to their formal adoption. The rules and regulations shall provide for administrative procedures that allow a prime construction contractor to establish that the Ordinance's remedial measures should not be applied to the construction industry at the time that SMBE/SWBE participation in construction contracts has reached parity with the available number of SMBE/SWBE firms in the relevant business community and SMBE/SWBE firms no longer suffer from a competitive disadvantage in the construction industry.

**Comments:**

1. The proposed Ordinance is in a first draft form.
2. Findings one (point 3a.) and two (point 3b.), which are concerned with the degree of participation SMBE/SWBE firms have experienced in construction contracting in the City, as reflected in testimony before the Board of Supervisors, appear to be contradictory. Finding one states that evidence before the Board shows that SMBE/SWBE firms are awarded subcontract dollars that are comparable to the available numbers of SMBE/SWBE firms in the relevant market. Finding two states that evidence presented to the Board reflects that nonminority construction contractors competing for or doing business with the City systematically

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Memo to Governmental Operations Committee  
September 18, 1989 Governmental Operations Committee Meeting

exclude qualified SDBE/SWBE firms from subcontracting opportunities on City construction contracts.

**Recommendation:** Approval of this proposed ordinance is a policy matter for the Board of Supervisors.

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Item 2 - File 156-89-2

**Note:** This item was continued at the September 11, 1989 Governmental Operations Committee meeting in order to obtain additional information regarding PIC's 15% administrative costs. PIC has submitted a letter detailing their administrative costs, which is attached to this report.

**Agency:** Private Industry Council (PIC)

**Item:** Resolution authorizing acceptance and expenditure of Federal grant funds.

**Amount:** \$276,000

**Local Match:** None

**Source of Grant:** Federal Office of Refugee Resettlement through the State Department of Social Services

**Grant Period:** October 1, 1989 through September 30, 1990

**Project:** Refugee Targeted Assistance Program

**Description:** The proposed resolution would provide \$276,000 in funding to seven contractors to provide services to refugees for the period from October 1, 1989 to September 30, 1990 (although the grant period is twelve months, the limited Federal grant funding will only provide for three months of refugee services).

The Private Industry Council administers three sets of refugee funds on behalf of the City and County of San Francisco. The Refugee Employment Social Services funds and the Refugee Targeted Assistance Program funds are used to provide employment and training services to refugees who are receiving public assistance. The Mutual Assistance Association Incentive funds are used to provide social adjustment and acculturation services to refugees including those who are not receiving public assistance.

The State Department of Social Services has allocated \$424,152 to the City for 1989-90. The Board of Supervisors approved the acceptance and expenditure (File 156-89-1) of up to \$80,000 of the 1989-90 allocation as an advance to allow the continuation of refugee services from July 1 through September 30, 1989. Only \$63,321 was actually spent of the \$80,000 previously authorized.

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PIC initially expected an allocation of approximately \$986,000 for 1989-90 and issued a Request for Proposals (RFP) in July, 1989. Twelve proposals were received and evaluated in August, 1989. Seven contractor providers were selected to be funded. The PIC Refugee Committee proposes spending the \$424,152 grant funds in accordance with the 1989-90 county expenditure plan between October 1, and December 31, 1989, (three months) as follows:

Contractual Services

<u>Provider</u>	<u>Services Provided</u>	<u>Amount Requested</u>	<u>Refugee Committee Recommendation</u>
International Rescue Committee	Central Intake Point	\$154,504	\$44,160
Center for Southeast Asian Refugee Resettlement	Economic Development	80,000	0
Third Baptist Church	Employment Services	40,752	16,980
Catholic Charities/Refugee Employment Assistance Program	Employment Services & Vocational English as a Second Language	200,366	63,460
Refugee Women's Program/ Mutual Assistance Association Council	Employment Services & Vocational Services as a Second Language	69,984	0
Jewish Vocational Services	On the Job Training	120,000	0
Vietnamese Youth Development Center	On the Job Training	15,000	6,000
Center for Southeast Asian Refugee Resettlement	On the Job Training & Vocational English as a Second Language	56,000	28,005
Career Resources Development Center	Vocational Training & Vocational English as a Second Language	186,336	0
Center for Southeast Asian Refugee Resettlement	Vocational Training & Vocational English as a Second Language	110,000	43,425
Jewish Vocational Services/	Vocational Training &	122,400	50,400

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Contractual Services

<u>Provider</u>	<u>Services Provided</u>	<u>Amount Requested</u>	<u>Refugee Committee Committee</u>
Career Resources Development Center	Vocational English as a Second Language		
Korean Center, Inc.	Vocational Training & Vocational English as a Second Language	58,500	0
Other	Participant Support Svcs.		12,570
Other	On the Job Training Set Aside		11,000
		<hr/>	<hr/>
Subtotal (subject of this request)		\$1,213,842	\$276,000
<u>State Administration Costs</u> (5%)			21,208
<u>PIC Administration Costs</u> (15%)			63,623
<u>Advance Funding to Contractors</u> (Previously Expended)			<u>63,321</u>
Federal Grant Total			\$424,152

**Recommendation:** Approve the proposed resolution.

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# PRIVATE INDUSTRY COUNCIL

OF SAN FRANCISCO, INC.

## MEMORANDUM

TO: MERLIN ZIMMERLY

DATE: SEPTEMBER 14, 1989

FROM: STEVE ARCELONA 

SUBJECT: ADDITIONAL INFORMATION ON FILE #156-89-2 APPROVING EXPENDITURE OF REFUGEE FUNDS

We are providing the following information in response to the concern expressed by Supervisor Hsieh about the administrative costs associated with the refugee program.

### Percent of Funds Available for Administration

As shown in the summary of the PIC Refugee Committee Recommendations dated August 23, 1989 and in the Budget Analyst Report, of the total amount allocated to San Francisco 5 percent is taken off the top for State administration. This amount is non-negotiable and is the same for all thirteen counties which receive refugee funds in California. In addition, based on sliding scale, of the total allocation, a county is entitled to use up from 10% to 15% for administration. In the case of San Francisco this amount is 15% or \$63,623. These amounts are prescribed in the federal law (45 CFR, Part 95, Subpart E, the County Cost Allocation Plan).

### How Funds are used by the PIC Administration

Approximately 92% of the administrative costs are used to pay salaries and fringes. The remaining 8% is used to cover the related overhead costs such as rent, telephones, duplication, etc.

The PIC's responsibilities under the Refugee program can be divided into four major areas; these include

- A. Planning and Management Information System - (Approximately 35% of the \$63,623 allowable)
  - Development of the County Refugee Plan
  - Staff to the Refugee Committee
  - Issue request for proposals. Review, rank and recommend funding amounts
  - Prepare monthly, quarterly and cost benefit reports to the State Department of Social Services.
- B. Operations - (Approximately 30% of the \$63,623 allowable)
  - Contract negotiations
  - On-going monitoring
  - Subcontractor evaluations
  - 90 day follow-up with employers
- C. Fiscal - (Approximately 12% of the \$63,623 allowable)
  - Receive and review invoices and issue monthly checks to subcontractors
  - Maintain accounting records
  - Prepare monthly quarterly and close-out fiscal reports for State Department of Social Services.
- D. Administration - (Approximately 15% of the \$63,623 allowable)
  - Procure audit of refugee funds
  - Maintain records for up to 5 years
  - Prepare mailings.





D. Administration - (Approximately 15% of the \$63,623 allowable)

- Procure audit of refugee funds
- Maintain records for up to 5 years
- Prepare mailings.

All of the above functions are performed by a number of the PIC staff member.

E. Related Overhead Costs as itemized above - (Approximately 8% of the \$63,623 allowable)

What is the Actual Amount of Administrative Costs Needed for this Program

In the last 15 months the amount expended for the administration of the refugee program was approximately \$175,500, or an average of \$11,700 per month.

As stated at the last Governmental Operations Committee meeting, the reporting for the refugee program continues for a period up to six months after the last participant finishes training. Therefore, a 3 month program is actually a 9 month program and based on historical data, this would cost \$105,300. The amount allocated to the PIC for administration is only \$63,623. The San Francisco PIC as well as other counties have found it very difficult to live within the allowable administrative limits.

cc: PIC Staff  
Judy Bullock, RIPB



Memo to Governmental Operations Committee  
September 18, 1989 Governmental Operations Committee Meeting

Item 3 - File 107-89-9

**Department:** Department of Social Services (DSS)

**Item:** Resolution authorizing a continuation agreement with the University of California, San Francisco (UCSF)

**Source of Funds:** Children's Trust Fund, pursuant to Section 10.117.34 of the Administrative Code.

**Amount:** \$10,895

**Contract Period:** October 1, 1989 through September 30, 1990

**Description:** The Children's Trust Fund was established by AB 2994 (Chapter II of the State Welfare and Charitable Contributions Code) which provides for \$4.00 of each \$8.00 birth certificate fee to be credited to this fund for child abuse and neglect prevention and intervention programs. The fund is administered by DSS.

UCSF will provide 245 hours of consultation and training to DSS staff and foster parents involved in the Fragile Infant Special Care Program (FISCP). The FISCP includes infants who are born dependent on alcohol or drugs, have extraordinary medical problems, or test positive for HIV antibodies, or AIDS.

Personnel	
Salaries	\$7,011
Fringe Benefits	<u>2,463</u>
Subtotal - Personnel	\$9,474
Indirect Costs	<u>1,421</u>
Total	\$10,895

**Comment:** The proposed continuation agreement is a renewal of an existing agreement. The total request of \$10,895 is the same amount authorized for 1988-89.

**Recommendation:** Approve the proposed resolution.

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Item 6 - File 64-89-30

**Departments:** Real Estate Department  
San Francisco Municipal Railway (MUNI)

**Item:** Resolution authorizing a short-term lease of vacant warehouse space from the Port of San Francisco for use by the San Francisco Municipal Railway.

**Location:** Building 6 on Sea Wall Lot 349 in the vicinity of Pier 70 (see attached)

**Purpose:** To be used to store motor coaches (buses) awaiting disposition (sale) by the Purchaser

**# of Sq. Ft. and Cost/Month:** 17,500 sq.ft. of warehouse space (a portion of Building 6) @ \$.20 sq.ft. = \$3,500 rent/month.

**Term of Lease:** Commence not earlier than September 5, 1989 to no later than November 30, 1989.

**Source of Funds:** Previously appropriated MUNI operating budgeted funds

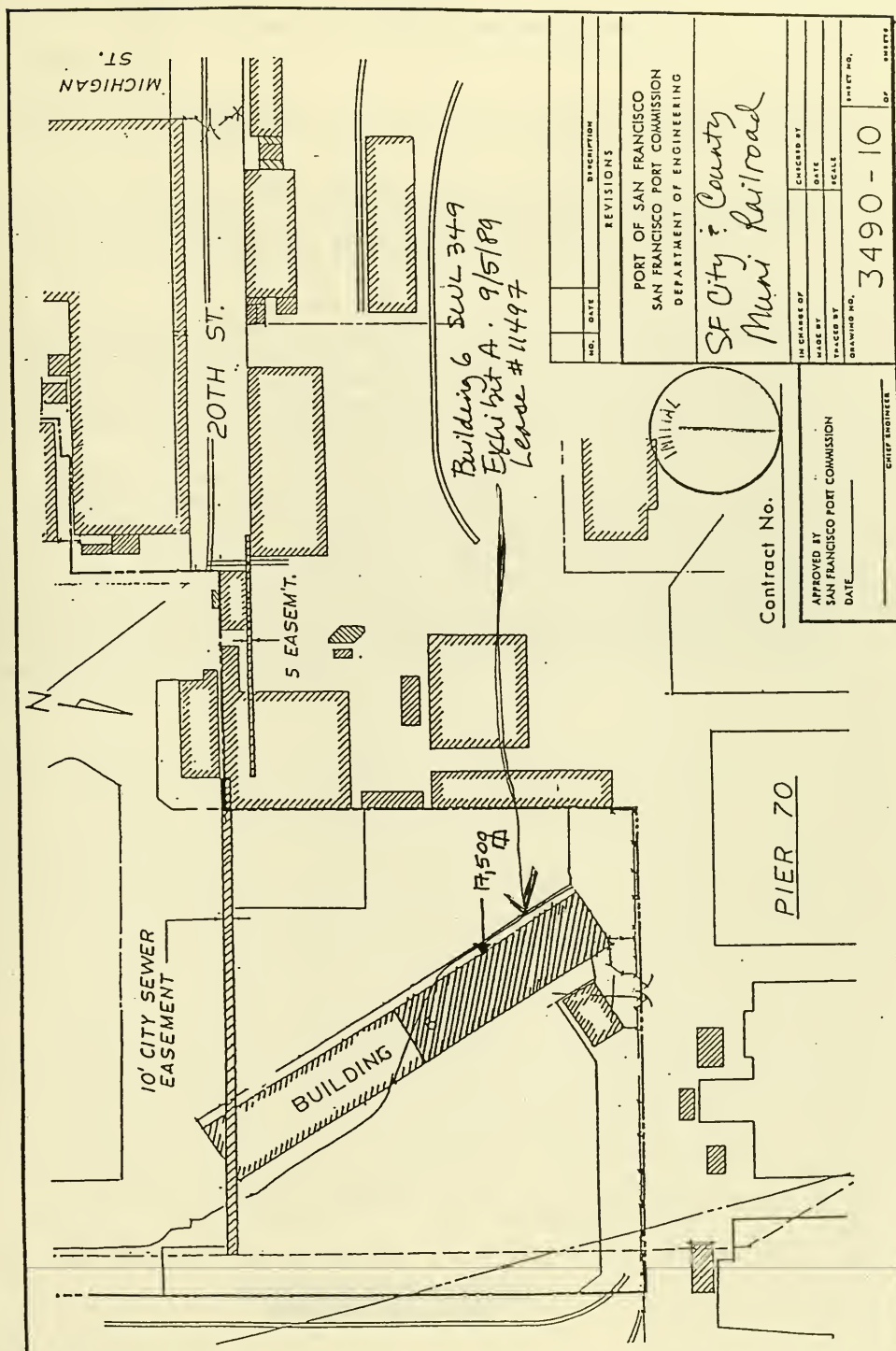
**Comments:**

1. The proposed lease would provide temporary space for MUNI to store approximately 30 old buses pending their sale by the Purchaser. Temporary space is needed to provide a secure storage place for these old buses, while the Purchaser arranges for the sale of these buses. These old buses are being replaced by new MUNI buses which have already arrived.
2. The Port has agreed to allow MUNI to lease a portion of Building 6 on Sea Wall Lot 349 for the storage of the approximately 30 old buses, pending approval of the Board of Supervisors of this proposed lease. Mr. Bruce Bernhard of MUNI reports that MUNI has been storing the old buses in Building 6 since September 11, 1989, prior to approval of a lease agreement, in order to avoid having to store the buses in an open lot where they would be subject to vandalism.
3. The Real Estate Department has determined that the lease amount of \$3,500 per month represents fair market value.

**Recommendation:** Approve the proposed resolution.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





REVISIONS		DESCRIPTION	
NO.	DATE	BY	DATE
PORT OF SAN FRANCISCO SAN FRANCISCO PORT COMMISSION DEPARTMENT OF ENGINEERING			
SF City & County Muni. Railroad			
MADE BY CHECKED BY		DATE SCALE	
DRAWING NO.		SHEET NO.	
3490 - 10		10	

Contract No.

APPROVED BY  
 SAN FRANCISCO PORT COMMISSION  
 DATE

CHIEF ENGINEER





Item 7 - File 263-89-1

1. This item would consider the San Francisco Labor - Management Work Improvement Project (WIP).

2. The City has contracted with a private firm, Work Improvement Project Incorporated, for nine years to provide labor-management mediation services. The contract with Work Improvement Project Incorporated was terminated on June 30, 1989. The City's 1988-89 budget included \$80,000 for this contract.

3. The Mayor's proposed 1989-90 budget for WIP included only \$38,851 for contractual labor-management mediation services but included one new secretarial position to perform some of the services on an in-house basis. Subsequently, in the budget review process, the Mayor requested, and the Board of Supervisors approved, putting the secretarial position in another project and increasing the WIP budget for contractual services to the 1988-89 level of \$80,000.

4. Ms. Maggie Jacobsen of the Mayor's Office reports that she is currently in the process of reassessing the City's needs for labor-management mediation service alternatives in lieu of having all such services provided by an outside contractor. Alternatives being considered range from performing some services on an in-house basis to continuing to have all services provided by a contractor but revising the goals and objectives of that contract. Ms. Jacobsen states that although there is no contract at present to provide labor-management mediation services, these services continue to be provided on an in-house basis by her office until such time as her reassessment is completed.



Item 8 - File 97-89-17

1. The proposed draft ordinance would amend the San Francisco Administrative Code by adding Sections 16.61-1, 16.61-2 and 16.61-3. Section 16.61-1 would allow the City to "pick-up" employee contributions to the City and County of San Francisco Retirement System as authorized by Internal Revenue Code Section 414(h)(2). Sections 16.61-2 and 16.61-3 would adopt the limitations of Internal Revenue Code Sections 401(a) and 415 required by the Internal Revenue Code in order to establish the "pick-up" employee contribution concept.

2. Under the present Retirement System, in addition to the City's (employer's) contribution to the Retirement System, each City employee also contributes between 7.0 percent (Miscellaneous employees) or 7.5 percent (Police and Firefighters) of the employee's gross pay to the Retirement System. However, although the employee contribution is mandatory and is computed based on gross pay, the deduction for the employee's contribution is made after the computation of Federal and State income taxes. Thus the employee pays Federal and State income tax on money that is subsequently deducted from the employee's pay as a mandatory deduction.

3. Under the "pick-up" concept, the City would designate, for the purpose of deferring income tax in accordance with the Internal Revenue Code, that the employee contribution is the employer contribution and, therefore, not subject to taxation (income tax) when the contribution is made. Instead, the employee's contribution (now considered the employer's contribution) would be subject to taxation when paid to the employee as a retirement benefit after the employee has retired.

4. The result of the "pick-up" of the employee's contribution is an increase in the employee's take-home pay and no financial liability to the City. The employee's income tax liability is deferred to a later date at the time of retirement.

5. In order to qualify for the "pick-up" concept, the City's Employees Retirement System must have a pension plan qualified under Internal Revenue Code Section 401(a) and there must be certain limitations on contributions in accordance with Internal Revenue Code Section 415. The proposed new Administrative Code Sections 16.61-2 and 16.61-3 would adopt these limitations.

Comments

Mr. Kieran Murphy of the Employees Retirement System states that the proposed Administrative Code amendments will not result in any additional cost to the Employees Retirement System. Mr. Murphy indicates that only minimal, new administrative costs will result from the amendments.

Recommendation

Approve the proposed ordinance.

**BOARD OF SUPERVISORS**  
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Items 9 and 10 - Files 97-88-7 and 97-88-8

Note: These items were continued at the January 10, 1989 Governmental Operations Committee meeting.

1. The proposed ordinances would amend various sections of Chapter 6 of the City's Administrative Code relating to the awarding of City contracts.
2. The proposed ordinances would amend specific sections of the City's Administrative Code as follows:

Item 9 - File 97-88-7

The proposed ordinance would amend the Administrative Code by adding a new section allowing departments to waive the existing City requirement that contractors for public works projects file corporate surety bonds for performance, labor and materials. The proposed ordinance allows contractors for contracts of \$50,000 or less to provide security by means of a certified check for \$1,000 in lieu of a surety bond. The ordinance also requires successful public works contractors to acquire and maintain throughout the term of the contract a valid Business Tax Registration Certificate. Evidence of this registration must be submitted to the department before a contract may be awarded. The proposed ordinance would expire twelve months after the effective date of the ordinance.

Comment

While no data are available as to the amount of risk the City may incur by waiving surety bonding requirements, any additional costs to the City might be offset by the potential savings from the competition which could result from having more contractors eligible to bid on City contracts.

Item 10 - File 97-88-8

The proposed ordinance would amend the Administrative Code to include the State of California in the existing provision that allows all laws, rules and regulations of the Federal government to prevail over City laws, rules and regulations in all contracts for the construction of any public work or improvement which involves the use of any funds furnished by the Federal government.

Comment

This amendment to the City's Administrative Code would clarify that State law would prevail on contracts involving the use of any State funds in the event of any conflict between laws relating to contracting procedures of the City and the State.

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**Recommendations**

1. Approval of the proposed ordinance waiving bonding requirements in City contracts (File 97-88-7) is a policy matter for the Board of Supervisors.
2. Approve the proposed ordinance clarifying that State law would prevail in the event of any conflict between laws relating to contracting procedures of the City and the State (File 97-88-8).

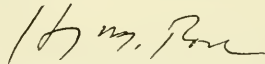




Item 11 - File 13-89-3

1. This item would consider the impact of Internal Revenue Code (IRC) Section 89 on employee benefit plans. IRC Section 89 was enacted as part of the Tax Reform Act of 1986 and became effective on January 1, 1989. IRC Section 89's purpose is to eliminate some of the tax benefit (in the past the value of benefit plans have been exempt from income taxation) for highly paid employees who receive more attractive fringe benefit packages instead of more salary (which is subject to full income taxation).

2. Ms. Miriam Morley of the City Attorney's Office reports that there are several bills before both the U.S. Senate and the House of Representatives that would amend IRC Section 89 and that the Internal Revenue Service is not currently enforcing Section 89. Therefore, according to Ms. Morley, the City Attorney's analysis of the impact of Section 89 on the City's employee benefits programs has not been completed.



Harvey M. Rose

cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey



SF  
S90.32  
# 2  
9/12/89

Alt. Title

CALENDAR  
MEETING OF  
GOVERNMENTAL OPERATIONS COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO

MONDAY, SEPTEMBER 18, 1989 - 10:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

CLERK: GAIL JOHNSON

1. File 97-89-20. [Small Minority and Small Women Business Enterprises] DRAFT ordinance amending the Administrative Code by adding Chapter 12G, relating to the award of subcontracts by City and County prime construction contractors to small minority and small women business enterprises. (Supervisors Kennedy, Ward, Maher)

(Continued from 9/11/89)

ACTION: Hearing held. Continued to October 2, 1989 meeting.

2. File 156-89-2. [Federal Funding] Resolution approving the expenditure of Refugee funds and authorizing the President of the Private Industry Council of San Francisco, Inc., to sign, enter into, and execute the State contract. (Private Industry Council)

(Continued from 9/11/89)

ACTION: Recommended. (TO BOARD AS A COMMITTEE REPORT FOR CONSIDERATION ON SEPTEMBER 18, 1989.)

3. File 107-89-9. [Agreement] Resolution authorizing the execution of an agreement between the City and County of San Francisco and the Regents of the University of California, San Francisco in the amount of \$10,895 in order to provide consultation and training to the Department of Social Services' staff and foster parents involved in the Fragile Infant Program for Fiscal Year 1989-90, commencing October 1989. (Department of Social Services)

ACTION: Recommended.

4. File 40-89-11. [Parking of Vehicles] Resolution extending boundaries of Residential Permit Parking Area "P" in the Beideman/Anza Vista area and adding Golden Gate Avenue, between Broderick and Divisadero Streets, to the list of streets upon which time limitations shall apply. (Department of Public Works)

(Continued from 9/11/89)

ACTION: Recommended.

5. File 40-89-13. [Parking of Vehicles] Resolution extending boundaries of Residential Permit Parking Area "H" in the Lakeside area and adding Byxbee Street, between Garfield Street and Holloway Avenue; Estero Avenue, between Alviseo Street and Lunado Way; Holloway Avenue, between Borica and Byxbee Streets; Monticello Street, between Estero Avenue and Garfield Street; Ralston Street, between Garfield Street and Holloway Avenue; and Garfield Street, between Beverly Street and Junipero Serra Boulevard, to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Amended on page 3, lines 1 and 2, by replacing "Lunado Way" with "Junipero Serra Boulevard"; and on page 3, line 9 by replacing "two" with "one". Recommended as amended.

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SEP 21 1989

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6. File 64-89-30. [Lease of Real Property] Resolution authorizing short-term lease of vacant land from the Port of San Francisco for use by the San Francisco Municipal Railway. (Real Estate Department)

ACTION: Recommended.

7. File 263-89-1. Hearing to consider the Work Improvement Project. (Supervisor Walker)

ACTION: Hearing held. Continued to October 2, 1989 meeting.

8. File 97-89-17. [Retirement Benefits] Ordinance amending Administrative Code by adding Sections 16.61-1, 16.61-2 and 16.61-3 relating to "pick up" of employee contributions to the City and County Retirement System as authorized by Section 414(h)(2) of the Internal Revenue Code and adopting the limitations set forth in Sections 401(a) and 415 of the Internal Revenue Code. (Supervisor Britt)

ACTION: Hearing held. Amended on page 4 by adding the following at the end of line 24: "The provisions of this ordinance amending San Francisco Administrative Code Section 16.61-1 shall become operative on January 1, 1990, or as soon thereafter as the Controller deems it administratively feasible." Continued to September 25, 1989 meeting.

9. File 97-88-7. [Contracts - Bonding Exemptions] Ordinance amending Chapter 6 of the San Francisco Administrative Code by adding Section 6.20-2 through 6.20-7 thereto, regarding waiver of surety bond requirements for contracts for public works or improvements requiring expenditure of less than \$50,000.00; Business Tax Registration Certificate; irresponsible contractors - disqualification; Sunset Clause. (Supervisor Kennedy)

ACTION: Hearing held. Continued to Call of the Chair.

10. File 97-88-8. [Contracts - Federal or State Funding] Ordinance amending Chapter 6, Section 6.53 of the San Francisco Administrative Code to include contracts for the construction of public work or improvement involving financial assistance from the State of California. (Supervisor Kennedy)

ACTION: Recommended.

11. File 13-89-3. Hearing to consider impact of Internal Revenue Code Section 89 on employee benefits programs. (Supervisor Kennedy)

ACTION: Hearing held. Filed.

12. File 97-89-24. [Employee Assistance Program] Ordinance amending Administrative Code by adding Section 16.6-59, requiring City departments to advise employees of the Employee Assistance Program. (Supervisor Kennedy)

ACTION: Recommended. Add Supervisor Gonzalez as co-sponsor.



32  
CITY AND COUNTY



Public Library, Documents Dept.  
ATTN: Jerry Roth  
OF SAN FRANCISCO

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BOARD OF SUPERVISORS

SEP 25 1989

BUDGET ANALYST *Rec.*

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1390 MARKET STREET, SUITE 1025

SAN FRANCISCO, CALIFORNIA 94102 • TELEPHONE (415) 554-7642

September 21, 1989

TO: *GOV. OPERATIONS* Governmental Operations Committee  
FROM: Budget Analyst  
SUBJECT: *SEP 25 1989* September 25, 1989 Governmental Operations Committee Meeting

Item 2 - File 97-89-17

**Note:** This item was continued at the September 18, 1989, Governmental Operations Committee meeting.

1. The proposed ordinance would amend the San Francisco Administrative Code by adding Sections 16.61-1, 16.61-2 and 16.61-3. Section 16.61-1 would allow the City to "pick-up" employee contributions to the City and County of San Francisco Retirement System as authorized by Internal Revenue Code Section 414(h)(2). Sections 16.61-2 and 16.61-3 would adopt the limitations of Internal Revenue Code Sections 401(a) and 415 required by the Internal Revenue Code in order to establish the "pick-up" employee contribution concept.

2. Under the present Retirement System, in addition to the City's (employer's) contribution to the Retirement System, each City employee also contributes between 7.0 percent (Miscellaneous employees) or 7.5 percent (Police and Firefighters) of the employee's gross pay to the Retirement System. However, although the employee contribution is mandatory and is computed based on gross pay, the deduction for the employee's contribution is made after the computation of Federal and State income taxes. Thus the employee pays Federal and State income tax on money that is subsequently deducted from the employee's pay as a mandatory deduction.





3. Under the "pick-up" concept, the City would designate, for the purpose of deferring income tax in accordance with the Internal Revenue Code, that the employee contribution is the employer contribution and, therefore, not subject to taxation (income tax) when the contribution is made. Instead, the employee's contribution (now considered the employer's contribution) would be subject to taxation when paid to the employee as a retirement benefit after the employee has retired.

4. The result of the "pick-up" of the employee's contribution is an increase in the employee's take-home pay and no financial liability to the City. The employee's income tax liability is deferred to a later date at the time of retirement.

5. In order to qualify for the "pick-up" concept, the City's Employees Retirement System must have a pension plan qualified under Internal Revenue Code Section 401(a) and there must be certain limitations on contributions in accordance with Internal Revenue Code Section 415. The proposed new Administrative Code Sections 16.61-2 and 16.61-3 would adopt these limitations.

### **Comments**

1. Mr. Kieran Murphy of the Employees Retirement System states that the proposed Administrative Code amendments will not result in any additional cost to the Employees Retirement System. Mr. Murphy indicates that only minimal, new administrative costs will result from the proposed amendments.

2. The proposed ordinance was amended at the September 18, 1989, Governmental Operations Committee meeting to require implementation of the "pick-up" of employee contributions by January 1, 1990, or as soon thereafter as the Controller's Office could accomplish implementation. The Controller's Office indicates that an additional amendment may be required to clarify the implementation schedule.

3. The City Attorney's Office indicates that an amendment may also be necessary regarding the inclusion and exclusion of some employee classifications represented by the Transit Workers' Union. Specifics of such an amendment have not yet been finalized as of the writing of this report.

### **Recommendation**

The Budget Analyst continues to support approval of implementing the "pick-up" concept, but cannot make recommendations on amendments yet to be introduced.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

Item 4 - File 64-89-31

**Department:** Real Estate Department  
Human Rights Commission

**Item:** Resolution authorizing an amendment of a lease of real property

**Location:** 1095 Market Street (fifth floor and portion of fourth floor)

**Purpose of Lease:** Office space

**Lessor:** Market Street Associates

**# of Sq.Ft. and Cost/Month:** 5,232 sq.ft. @ \$1.19 sq.ft./month = \$6,240

**Annual Cost:** \$74,880

**% Increase over 1988-89:** 17%

**Utilities and Janitorial Provided by Lessor:** Yes

**Term of Lease:** The Board of Supervisors previously approved an extension of this lease on a month-to-month basis for a maximum of four months for the period July 1, 1989 through October 31, 1989 (File 64-89-16). The lease extension covered only a four-month period because the Human Rights Commission had plans to move to new office space at 25 Van Ness Avenue. Funds for this move are included in the Commission's 1989-90 budget.

Mr. Harry Quinn of the Real Estate Department reports that the Real Estate Department is in the process of developing a space plan for the Human Rights Commission in connection with the proposed move and it is anticipated that the move will be completed on or about January 1, 1990. The proposed amendment, that is the subject of this item, would change the term of the lease from a month-to-month basis for a maximum of four months to a six-month lease extension terminating December 31, 1989. No changes in the amount of square feet of space or the rental rates are proposed.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



**Right of Renewal:** Beginning January 1, 1990 the proposed amendment would provide the City with the option of extending the lease on a month-to-month basis, for a period not to exceed six months, with no change in the rental rates. This would allow additional time, if needed, for the Human Rights Commission to complete the move to 25 Van Ness Avenue.

**Comment:** The Real Estate Department reports that the proposed monthly rental amount of \$6,240 represents the fair market rental of the space to be leased.

**Recommendation:** Approve the proposed resolution.



Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

Item 5 - File 65-89-6

**Departments:** Real Estate Department  
Department of Public Works

**Item:** Ordinance authorizing negotiated month-to-month lease renewal with All Auto Dismantler's Inc. for City-owned land.

**Location:** 398 Quint Street (a portion of Assessor Block 5227 Lot 1) - see attached

**Purpose:** To allow All Auto Dismantler's Inc. restricted use of the property for purposes of storage, parking and dismantling of automobiles and trucks.

**No. of Sq. Ft. and Cost/Month:** 56,680 sq.ft. @ \$.06 sq. ft./mo. = \$3,400 rent/mo. (for the period August 1, 1989 through July 31, 1990)

**% Increase over 1988-89:** 100%

**Term of Lease:** Month-to-Month basis commencing August 1, 1989

**Comments:**

1. The property at 398 Quint Street was acquired by the City from the State of California in May of 1978 to be used for the City's Clean Water Program. At the time of acquisition, All Auto Dismantler's Inc. was a tenant of the property.
2. Section 23.26 of the Administrative Code provides that if the City acquires real property for a public project which is under a lease to a tenant by the previous owner of the property, the Director of Property may enter into a lease agreement for such property with the same tenant on a month-to-month basis, until such time as the property is required by the Department having jurisdiction over it.
3. According to Mr. Harold Coffee of the Clean Water Program, usage of the 398 Quint Street property is included in the Clean Water Program's long range plans for expansion of their sewage treatment facilities to provide additional waste water treatment and/or water reclamation capability. Mr. Coffee advises that no specific timetable has been set for this expansion project.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





4. The Real Estate Department reports that the proposed monthly rental amount of \$3,400 represents the fair market rental of the space to be leased.

**Recommendation:** Approve the proposed Ordinance.



DAVIDSON AVE.



1"-600'-0"

250'

350

64'

BLOCK 5227  
All Auto Dismantlers

M&M Auto Wreckers

47,782.50 SQ. FT.

32,498.40 SQ. FT.

All Auto Dismantlers

24,182 SQ. FT.

240'

143'

107'

2,277.50 sq. ft.

30°

C.L.  
FENCE

EVANS AVE.

80'

200'

#398

Lease Area: 56,680 sq.ft.



Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

Item 6 - File 133-88-2.3

<b>Department</b>	Chief Administrative Officer (CAO)
<b>Item:</b>	Request for release of funds previously reserved for Solid Waste Management Program for three projects and consultant services.
<b>Amount:</b>	\$299,875
<b>Source of Funds:</b>	Solid Waste Management Program Budget - Reserved Funds - FY 1988-89 and 1989-90.
<b>Description:</b>	<p>On September 22, 1988, the Board of Supervisors authorized the Chief Administrative Officer to accept and expend \$1,507,118 from the Sanitary Fill Company to be used for the 1988-89 Solid Waste Management Program Projects, but reserved \$200,000 of those funds intended for outside consultant services, pending selection of those consultants (File No. 133-88-2).</p> <p>On July 6, 1989, the Board of Supervisors authorized the Chief Administrative Officer to accept and expend \$1,370,345 in funds from the Sanitary Fill Company to be used for the 1989-90 Solid Waste Management Program Projects, but reserved \$380,000 of those funds - \$225,000 pending selection of contractors, and \$155,000 pending designation of recipients of grants from the Recycling Development Fund (File 133-89-1).</p> <p>Thus, a total of \$580,000 was reserved, \$200,000 for 1988-89 and \$380,000 for 1989-90.</p> <p>Mr. Joseph Johnson of the Office of the Chief Administrative Officer states that Request-for-Proposals were used to select the consultants for the three projects.</p>

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

Of the \$200,000 reserved for 1988-89, the CAO requests the release of \$139,875 leaving \$60,125 on reserve for 1988-89 as follows:

Geo Resources, Inc.

139,875

Geo Resources, Inc., in joint association and using subcontractors, will provide assistance in waste reduction programming to the City's Small Quantity Generators (SQG) consisting of workshops, waste audits, development of checklists for self-waste audits by SQG's, development of lists of waste reduction options, and/or development of a Waste Minimization Index. The contract budget for this Minority Business Enterprise (MBE) - Local Business Enterprise (LBE) is as follows:

Professional Services

122 hours @ \$80/hr.	\$9,760
288 hours @ \$65/hr.	18,720
455 hours @ \$45/hr.	20,475
170 hours @ \$30/hr.	5,100

Joint Association and Subcontracted

Professional Services

396 hours @ \$80/hr.	\$31,680
368 hours @ \$50/hr.	18,400
52 hours @ \$125/hr.	6,500
48 hours @ \$80/hr.	3,840
129 hours @ \$100/hr.	12,900
60 hours @ \$50/hr.	<u>3,000</u>

Subtotal Professional  
Services

\$130,375

Materials

9,500

Total

\$139,875

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





Of the \$380,000 reserved for 1989-90, the CAO requests the release of \$160,000 for two contracts leaving \$220,000 on reserve for 1989-90, as follows:

San Francisco Alive \$60,000

San Francisco Alive will continue its program, which has existed for four years, to organize City-wide, year-round, neighborhood recycling and litter abatement programs. Of the \$60,000 total contract, \$40,000 is designated for salaries for two employees and \$20,000 for operating costs.

Hilton, Farnkoff & Hobson \$100,000

This contractor will review the methodology used to set rates for refuse collection and disposal companies, including assisting in the revision of the current rate review process and review and analysis of the next rate change application to be submitted to the City. Mr. Joseph Johnson states that advance waiver of the MBE/WBE/LBE compliance for this contract was obtained from HRC because there were only two available firms with the experience necessary to fulfill the needs of this project. The contract budget is as follows:

Professional Services		
168 hours @ \$165/hr.	\$27,720	
312 hours @ \$125/hr.	39,000	
16 hours @ \$220/hr.	3,520	
292 hours @ \$80/hr.	23,360	
50 hours @ \$30/hr.	<u>1,500</u>	
Subtotal		\$95,100
Operating Expenses		<u>4,900</u>
Total		\$100,000

Total of three contracts \$299,875

**Recommendation:**

Approve the release of reserved funds in the amounts of \$139,875 for 1988-89 and \$160,000 for 1989-90. Continue to reserve \$60,125 for 1988-89 and \$220,000 for 1989-90.

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**



Items 7 and 8 - Files 198-89-5 and 198-89-5.1

**Department:** Department of Public Works (DPW)

**Items:** Resolution (File 198-89-5) declaring the intention of the Board of Supervisors to vacate a portion of the street area at the intersection of Otis and Mission Streets and to set a hearing for all persons interested in the proposed vacation.

Ordinance (File 198-89-5.1) would authorize the vacation of the street area at the intersection of Otis and Mission Streets (See attachment).

**Description:** Approximately 1,533 square feet of a portion of the street area at the intersection of Otis and Mission Streets would be vacated for the purpose of enabling the DPW to consolidate various engineering functions into the City-owned building at 1680 Mission Street, occupied by the Department of Social services (DSS), adjacent to the proposed space to be vacated.

The space to be vacated is curbed and paved and appears to be an extension of the Mission and Otis Streets sidewalks with trees and benches on it. The proposed vacation is necessary in order to construct an electrical utility box against the side of the DSS building. The electrical utility box would require approximately 100 square feet.

**Comments:** 1. The Department of City Planning reports that the proposed vacation is consistent with the eight priority policies of City Planning Code Section 101.1 and is in conformity with the Master Plan.

2. Should the Board of Supervisors approve the proposed vacation of a portion of the street area at the intersection of Otis and Mission Streets, the proposed resolution should be amended to fix the time and date of the required public hearing to be held by the Board of Supervisors.

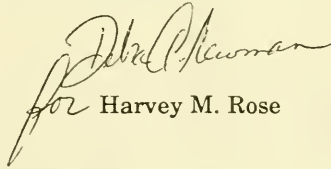
**Recommendations:** 1. Amend the proposed Resolution (File 198-89-5) to fix the time and date of the required public hearing to be held by the Board of Supervisors.

2. Approve the proposed Resolution as amended.



Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

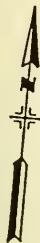
3. Continue the proposed Ordinance (File 198-89-5.1) until the public hearings have been held.

  
for Harvey M. Rose

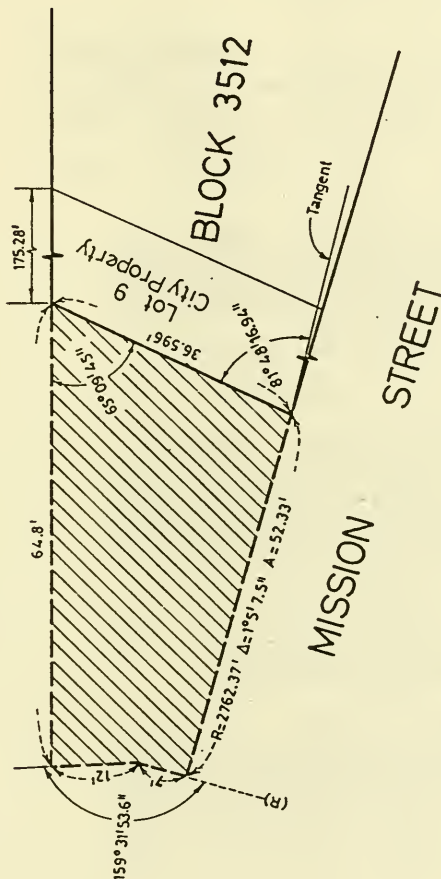
cc: Supervisor Gonzalez  
Supervisor Hsieh  
Supervisor Alioto  
President Britt  
Supervisor Hallinan  
Supervisor Hongisto  
Supervisor Kennedy  
Supervisor Maher  
Supervisor Nelder  
Supervisor Walker  
Supervisor Ward  
Clerk of the Board  
Chief Administrative Officer  
Controller  
Carol Wilkins  
Stacy Becker  
Ted Lakey

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**





OTIS STREET



LEGEND:




Street Area Proposed to be Vacated.

ATTACHMENT

REFERENCE

Survey Notes  
Index No. 3501  
Order No. 18853M  
Drwg. No. A-17-63

BY		DATE	CITY AND COUNTY OF SAN FRANCISCO DEPARTMENT OF PUBLIC WORKS - BUREAU OF ENGINEERING		
DR.	NPJr	4.24.89	PROPOSED STREET VACATION NEAR THE INTERSECTION OF OTIS AND MISSION STREETS		
TR.					
CK.	TTC	4-25-89			
APP.	JLP	8/5/89	APPROVED	FILE	CHANGE
APP.	AW	8/17/89	 SCALE: SHEET 1 OF 1 1" = 20' SUR-789		





0,32  
/89  
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SEP 28 1989

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*Acting Clerk*  
**CALENDAR  
MEETING OF  
GOVERNMENTAL OPERATIONS COMMITTEE  
BOARD OF SUPERVISORS  
CITY AND COUNTY OF SAN FRANCISCO**

MONDAY, SEPTEMBER 25 1989 - 10:00 A.M.

ROOM 228, CITY HALL

PRESENT: SUPERVISORS GONZALEZ, HSIEH, ALIOTO

ABSENT: SUPERVISOR HSIEH - ITEM 5

CLERK: GAIL JOHNSON

1. File 124-89-17. [Access Roads - Candlestick Park] Ordinance amending Traffic Code, by amending Section 32.4, regarding access to Candlestick Park, by altering the access road system established for events at Candlestick Park. (Department of Public Works)

(Continued from 9/5/89)

ACTION Recommended.

2. File 97-89-17. [Retirement Benefits] Ordinance amending Administrative Code by adding Sections 16.61-1, 16.61-2 and 16.61-3 relating to "pick up" of employee contributions to the City and County Retirement System as authorized by Section 414(h)(2) of the Internal Revenue Code and adopting the limitations set forth in Sections 401(a) and 415 of the Internal Revenue Code. (Supervisor Britt)

(Continued from 9/18/89)

ACTION: Amendment of the Whole bearing same title adopted. Recommended as amended. (TO BOARD AS A COMMITTEE REPORT FOR CONSIDERATION ON SEPTEMBER 25, 1989.)

3. File 40-89-12. [Parking of Vehicles] Resolution extending boundaries of Residential Permit Parking Area "O" in the West Portal/Saint Francis Wood area and adding Nineteenth, Twentieth, Twenty-First, and Twenty-Second Avenues (between Taraval and Ulloa Streets), to the list of streets upon which time limitations shall apply. (Department of Public Works)

ACTION: Hearing held. Continued to October 2, 1989 meeting.

4. File 64-89-31. [Amendment of Lease] Resolution authorizing amendment of lease of real property at 1095 Market Street for the Human Rights Commission. (Real Estate Department)

ACTION: Recommended.

5. File 65-89-6. [Lease Renewal] Ordinance authorizing negotiated month-to-month lease renewal with All Auto Dismantler's, Inc., of vacant commercial land identified as portion of Assessor's Block 5227, Lot 1, commonly known as 398 Quint Street. (Real Estate Department)

ACTION: Continued to October 2, 1989 meeting.



6. File 133-88-2.3. [Release of Reserved Funds] Requesting release of reserved funds, Chief Administrative Officer (Solid Waste Management Program), in the amount of \$299,875, for three projects and consultant services. (Chief Administrative Officer)

ACTION: Recommended.

7. File 198-89-5. [Street Vacation] Resolution declaring intention of Board of Supervisors to vacate a portion of the street area at the intersection of Otis and Mission Streets; and setting the hearing date for all persons interested in the proposed vacation; companion measure to File 198-89-5.1. (Department of Public Works)

ACTION: Amended on page 2, line 4, by inserting "6th" following "the", inserting "November" following "of", and inserting "3:00" following "at".  
Recommended as amended.

8. File 198-89-5.1. [Street Vacation] Ordinance ordering vacation of a portion of the street area at the intersection of Otis and Mission Streets; and adopting findings pursuant to City Planning Code Section 101.1; companion measure to File 198-89-5. (Department of Public Works)

ACTION: To Board Without Recommendation for consideration on November 6, 1989.



*Public Library, Documents Dept.*  
Memo to Governmental Operations Committee  
September 25, 1989 Governmental Operations Committee Meeting

**REVISED**

*ATTN: Gerry Roth*

Item 5 - File 65-89-6

DOCUMENTS DEPT.

SEP 26 1989

**Departments:** Real Estate Department  
Department of Public Works

**Item:** Ordinance authorizing negotiated month-to-month lease renewal with All Auto Dismantler's Inc. for City-owned land.

**Location:** 398 Quint Street (a portion of Assessor Block 5227 Lot 1) - see attached

**Purpose:** To allow All Auto Dismantler's Inc. restricted use of the property for purposes of storage, parking and dismantling of automobiles and trucks.

**No. of Sq. Ft. and Cost/Month:** 56,680 sq.ft. @ \$.06 sq. ft./mo. = \$3,400 rent/mo. (for the period August 1, 1989 through July 31, 1990). The monthly rental would then be adjusted upward annually for an additional two years to \$4,500 and \$5,650 per month respectively. These proposed future year increases represent a 32.3 percent annual increase for 1990-91 and a 25.6 percent annual increase for 1991-92. If the lease is still in effect on August 1, 1992, the City will establish a new monthly rent, at which time a renewal of this month-to-month lease would be submitted to the Board of Supervisors for approval.

**% Increase over 1988-89:** 100%

**Term of Lease:** Month-to-Month basis commencing August 1, 1989 and continuing each month until this lease is terminated upon 30 days written notice given at any time by either party.

**Comments:**

1. The property at 398 Quint Street was acquired by the City from the State of California in May of 1978 to be used for the City's Clean Water Program. At the time of acquisition, All Auto Dismantler's Inc. was a tenant of the property.

2. Section 23.26 of the Administrative Code provides that if the City acquires real property for a public project which is under a lease to a tenant by the previous owner of the property, the Director of Property may enter into a lease agreement for such property with the same tenant on a

**BOARD OF SUPERVISORS**  
**BUDGET ANALYST**











